

III. SUPPORTING INFORMATION

Arms Control and Nonproliferation Considerations
 Estimating Foreign Military Sales
 Foreign Military Sales Administrative Costs
 Overseas Military Program Management
 Grants of Excess Defense Articles
 Leased Defense Articles
 Stockpiling of Defense Articles for Foreign Countries
 Countries and International Organizations Eligible for Purchasing Defense Articles and Services
End-Use Monitoring of Defense Articles and Defense Services Government to Government Programs
 End-Use Monitoring of Defense Articles and Defense Services Commercial Exports
 Commercial Exports Licensed or Approved Under the Arms Export Control Act
 Security Assistance Funding
 All Spigots Table by Appropriation Account

This page intentionally left blank.

Arms Control and Nonproliferation Considerations

Arms transfers continue to be an indispensable U.S. policy instrument for advancing international security and stability in the post-Cold War era and for promoting the aims of the Global War on Terrorism. Judiciously used, arms transfers can deter aggression, foster internal and regional stability, strengthen and revitalize mutual security relationships, and demonstrate support for the security of friends and allies. With the new challenges posed by the rise of global terrorism and the spread of weapons of mass destruction, our military assistance programs play a critical role in bolstering the security capabilities of the United States and its allies.

The U.S. military assistance program complements the U.S. foreign policy goal of promoting international security through negotiation and support for bilateral, regional and multilateral agreements and arrangements, and assuring compliance with existing arms control agreements. It also enhances the U.S. ability to limit the proliferation of weapons of mass destruction, especially in regions of conflict, by giving countries conventional means for ensuring their security. As the President's arms transfer policy states, the United States will actively seek greater transparency and responsibility in the area of arms transfers to regions of instability.

There are other new and creative forms of security assistance in the NADR account that complement our arms control and nonproliferation goals and contribute to regional and global stability. The program to destroy small arms and reduce international stockpiles helps control the proliferation of relatively cheap, accessible weapons that exacerbate regional and civil conflicts. The worldwide Nonproliferation and Disarmament Fund and export control cooperation programs promote bilateral and multilateral efforts to control the spread of missiles, nuclear, chemical and biological weapons, and destabilizing arms transfers.

Carefully structured security assistance programs support U.S. conventional arms transfer policy goals, particularly to preserve regional balances and help allies deter and defend against aggression, and the U.S. nonproliferation objectives of curbing the spread of weapons of mass destruction and their delivery systems.

The U.S. arms transfer policy requires a careful, case-by-case evaluation of each request for arms. Each transfer is specifically reviewed for its contribution to U.S. security interests and arms control and nonproliferation objectives. Such a review considers, *inter alia*:

- Whether a proposed transfer is consistent with U.S. interests in maintaining or enhancing stability within the region;
- Whether the proposed transfer can be absorbed without overburdening the recipient's military support system or financial resources;
- The impact of the proposed transfer on our arms control and nonproliferation goals; and
- Whether possible adverse effects of the transfer are offset by positive contributions to U.S. regional security interests and objectives.

Whenever appropriate, these issues are referred to senior Administration officials, beginning with those in the Department of State, to ensure that decisions on arms transfers complement and support U.S. national security policies.

Estimating Foreign Military Sales

Foreign Military Sales (FMS) policies derive from U.S. statutes, Presidential directives, and policies of the Departments of State and Defense. The U.S. offers to sell defense articles and services (including training) under FMS procedures only in response to specific requests from authorized representatives from foreign governments or eligible international organizations.

The following table is in two parts. The first part shows the total dollar value by country of government-to-government FMS Letters of Offer and Acceptance (LOA's) signed in FY 2002, regardless of when the articles and services were or will be delivered.

The second part shows the estimated dollar values projected for FY 2003 and FY 2004. These estimates were derived through:

- a. An analysis of each country's historical FMS sales record (past 10 years).
- b. Development of an adjusted mean plus or minus one standard deviation -based range of likely sales for each country.
- c. In-depth, multi-tiered evaluation of each item contained on individual country lists of potential sales (developed by DSCA Regional Directorates). Each entry is evaluated for:
 - (i) Likelihood of sale, in and of itself, to be made in the year listed.
 - (ii) Likelihood that the sale will go FMS and not Direct Commercial Sales (DCS).
 - (iii) Release considerations, if any, associated with the item and likelihood for approval and a FMS sale after completion of the accompanying thorough, and often lengthy, U.S. Government review process.
 - (iv) A judgment of how essential the listed military equipment of defense service is to the country's defense needs.
 - (v) Whether the country's foreign procurement budget, as a whole, is adequate to fund the listed item in its entirety or possibly, at a lesser amount of quantity and dollars.
 - (vi) Whether the funding required to make the purchase will in fact be approved by the purchasing country's budget process.
- d. Consideration of potential economic and political/military factors over the time frame concerned.

Each phase of the FMS LOA request / offer / acceptance process has many variables that make it difficult to determine exactly when--or even if --a particular sale may occur. Variance of one day in a purchasing country's acceptance of a single significant sales agreement could shift the recording of the transaction from one fiscal year to the next.

Foreign Military Sales & Construction Sales Agreements

(\$ in thousands)

	FY 2002 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2003	FY 2004
<u>Africa:</u>					
Benin	1,000	0	1,000		
Botswana	1,350	0	1,350	644	794
Chad	594	230	824	250	0
Djibouti	0	0	0	750	100
Eritrea	0	0	0	100	0
Ethiopia	0	0	0	750	500
Guinea	3,100	0	3,100	100	0
Ivory Coast	0	0	0	300	0
Kenya	1,293	0	1,293	3,200	12,500
Madagascar	1,654	0	1,654	100	50
Malawi	306	0	306	100	50
Mali	200	0	200	100	1,000
Mozambique	15	585	600	150	50
Namibia	463	0	463	50	50
Niger	294	0	294	200	400
Nigeria	8,610	976	9,586	4,500	2,400
Sao Tome & Principe	70	0	70		
Senegal	936	0	936	300	250
Sierra Leone	0	0	0	200	500
South Africa	1,937	0	1,937	750	500
Tanzania	76	0	76	20	0
Togo	100	0	100		
Regional Total	21,998	1,791	23,788	12,564	19,144
<u>Western Hemisphere:</u>					
Antigua-Barbuda*	541	0	541	50	125
Argentina	3,497	0	3,497	4,000	4,000
Bahamas, The	0	0	0	200	550
Barbados*	116	0	116	25	50
Belize	0	0	0	100	100
Bolivia	652	0	652	500	1,000
Bolivia – Intl. Narc.	824	0	824	100	0
Brazil	36,073	0	36,073	8,000	20,000
Brunei	0	0	0	0	0
Canada	151,589	0	151,589	107,900	210,000
Chile	548,071	0	548,071	2,000	20,000
Colombia	37,203	0	37,203	10,000	10,000
Colombia – Intl. Narc.	2,269	0	2,269		2,000
Costa Rica	0	0	0	85	260
Dominica*	210	0	210	60	100
Dominican Republic	825	0	825	400	500
Ecuador	5,541	488	6,029	3,310	9,500
Ecuador – Intl. Narc.	300	0	300	100	0
El Salvador	3,056	0	3,056	1,100	1,520
Grenada*	197	0	197	25	50
Guyana	297	0	297	200	300
Haiti	0	0	0	0	100
Honduras	674	120	794	500	750
Jamaica	807	0	807	500	650
Mexico	2,057	0	2,057	1,500	2,000
Panama	0	0	0	100	300
Paraguay	597	0	597	200	300
Peru	0	0	0	500	850
Peru – Intl. Narc.	179	0	179	50	0
St. Kitts and Nevis*	208	0	208	25	25

	FY 2002 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2003	FY 2004
St. Lucia*	200	0	200	25	50
St. Vincent & Gren.*	113	0	113	25	50
Suriname	0	0	0	0	100
Trinidad & Tobago	100	0	100	150	225
Uruguay	369	0	369	1,000	1,000
Venezuela	3,239	0	3,239	1,000	4,000
Regional Total	799,805	608	800,413	143,730	290,455
<u>East Asia & Pacific:</u>					
Australia	171,443	0	171,443	215,500	436,500
Cambodia	424	0	424	444	0
Japan	946,096	338	946,434	768,486	237,430
Korea (Seoul)	1,843,006	0	1,843,006	658,100	230,000
Malaysia	23,544	0	23,544	1,489,306	0
Mongolia	287	0	287	1,000	2,700
New Zealand	5,970	0	5,970	12,305	12,305
Philippines	14,262	0	14,262	45,575	17,000
Singapore	152,116	0	152,116	110,000	260,000
Taiwan	70,977	0	70,977	602,000	602,000
Thailand	58,993	0	58,993	8,129	58,375
UNTAET (East Timor)	1,796	0	1,796	2,000	2,500
Regional Total	3,288,914	338	3,289,252	3,912,845	1,858,810
<u>Europe & NIS:</u>					
Albania	5,635	0	5,635	5,000	9,000
Armenia	0	0	0	4,000	3,000
Austria	5,011	0	5,011	5,350	4,150
Azerbaijan	0	0	0	4,000	3,500
Belgium	47,560	0	47,560	75,000	45,000
Bosnia-Herzegovina	2,152	0	2,152	2,500	3,000
Bulgaria	4,786	0	4,786	9,500	13,000
Croatia	4,092	0	4,092	6,200	9,500
Czech Republic	20,532	0	20,532	13,800	13,600
Denmark	94,755	0	94,755	54,800	110,800
Estonia	7,696	0	7,696	7,360	6,010
Finland	7,240	0	7,240	3,600	54,700
France	227,397	0	227,397	5,889	5,033
Georgia	35,250	0	35,250	7,000	10,500
Germany	160,651	0	160,651	195,000	45,000
Greece	339,966	0	339,966	136,500	140,275
Hungary	12,166	0	12,166	10,000	12,000
Ireland	9	0	9	100	110
Italy	190,976	0	190,976	263,000	700,000
Kazakhstan	1,064	4,878	5,942	3,000	2,900
Kyrgyzstan	6,217	0	6,217	7,000	5,000
Latvia	5,965	0	5,965	9,650	58,400
Lithuania	13,779	0	13,779	37,200	10,450
Luxembourg	2,827	0	2,827	500	500
Macedonia (FYROM)	4,625	0	4,625	11,000	11,000
Malta	0	0	0	1,000	3,000
Moldova	2,245	0	2,245	2,500	2,500
Netherlands	156,728	0	156,728	134,230	440,000
Norway	90,193	0	90,193	81,000	167,000
Poland	65,446	0	65,446	3,522,150	12,000
Portugal	160,851	0	160,851	10,400	43,200
Romania	22,044	0	22,044	32,225	10,000
Slovakia	11,597	0	11,597	9,000	12,000
Slovenia	3,103	0	3,103	5,000	7,500
Spain	122,821	0	122,821	99,500	1,349,900

	FY 2002 ACTUAL			ESTIMATED	
	DEFENSE ART/SERV	CONSTR/DESIGN	TOTAL	FY 2003	FY 2004
Sweden	6,731	0	6,731	950	1,050
Switzerland	138,194	0	138,194	96,838	6,400
Tajikistan	0	0	0	3,000	3,000
Turkey	210,962	0	210,962	260,400	1,078,850
Turkmenistan	975	0	975	875	300
Ukraine	4,988	0	4,988	3,000	13,000
United Kingdom	247,071	0	247,071	548,500	86,000
Uzbekistan	27,506	0	27,506	11,000	0
Regional Total	2,471,808	4,878	2,476,686	5,698,517	4,512,128
<u>Near East & South Asia:</u>					
Afghanistan	6,066	829	6,895	50,075	151,250
Algeria	0	0	0	7,000	500
Bahrain	103,890	0	103,890	81,500	79,140
Egypt	1,040,908	32,332	1,073,240	534,885	314,000
India	138,279	0	138,279	117,400	410,000
Israel	697,986	12,683	710,669	669,000	114,000
Jordan	128,614	0	128,614	198,707	115,078
Kuwait	1,021,823	23,000	1,044,823	111,250	368,000
Lebanon	1,341	0	1,341	3,000	2,800
Morocco	9,831	0	9,831	5,315	20,465
Nepal	3,378	0	3,378	14,000	15,150
Oman	825,798	0	825,798	76,130	25,010
Pakistan	29,481	0	29,481	71,750	363,900
Qatar	1,176	0	1,176		
Saudi Arabia	884,954	0	884,954	503,000	1,903,000
Sri Lanka	0	0	0	0	1,000
Tunisia	8,899	0	8,899	6,300	22,800
United Arab Emirates	240,803	0	240,803	1,249,300	392,000
Yemen	811	0	811	19,000	20,000
Regional Total	5,144,038	68,844	5,212,882	3,717,612	4,318,093
<u>Non-Regional:</u>					
Classified Totals (A)	666,761	0	666,761	705,000	57,000
International Org.	43,615	0	43,615	40,540	40,000
Non-Regional Total	710,377	0	710,377	745,540	97,000
Worldwide Total	12,436,940	76,459	12,513,399	14,232,108	11,097,130

Note: Totals May Not Add Due To Rounding.

* These Countries Comprise The Eastern Caribbean. See Eastern Caribbean Programs.

(A) For Further Information, Please See Classified Annex To This Document.

Foreign Military Sales Administrative Costs

The Foreign Military Sales (FMS) program is implemented, for the most part, by the same Department of Defense personnel who work in the military departments and defense agency procurement, logistics support and administrative organizations established to carry out DoD's requirements for procurement and support of weapons, equipment, supplies and services needed by our Army, Navy, Air Force and Marines. A small number of fully dedicated security assistance organizations and personnel are also employed by the military departments and defense agencies in accomplishing the FMS mission. This integration of FMS provides organizational efficiencies and procurement cost economies to both the U.S. and the FMS customer countries.

The Arms Export Control Act (AECA) requires that the costs of implementing FMS be paid by FMS customer countries. To satisfy this requirement, an "administrative surcharge" of two and one-half percent (2.5%) is applied to most FMS cases written on or after June 1, 1999. For cases written before that time, a three percent (3%) rate is applied. A five percent (5%) rate is applied to non-standard articles and services and supply support arrangements. In addition, a "logistics support charge" of three-point-one percent (3.1%) is applied on certain deliveries of spare parts, equipment modifications, secondary support equipment and supplies. These administrative funds collected from the FMS customer are made available to the military departments and defense agencies to pay for their FMS administrative costs related to such functions as FMS case preparation (including preparation of price and availability estimates/information), sales negotiations, case implementation, procurement, program control, ADP operations, accounting, budgeting and other financial program management. About one-half of the operating costs of overseas Security Assistance Organizations (SAOs) are also financed from FMS administrative funds. DSCA administers an annual budget process to develop estimated funding requirements and establish approved administrative funding levels.

The Foreign Operations, Export Financing and Related Programs Appropriations Act of 2003, P.L. 107-229, included, for FY 2003 only, a ceiling of \$356 million on obligations of FMS administrative funds. All FMS administrative budget obligations and expenditures are from FMS customers' funds that have been collected into the U.S. Treasury in the Foreign Military Sales Trust Fund account. There is no net outlay impact on the U.S. budget from the operations of the FMS administrative budget.

In FY 2004, \$361 million is required. About the same number of work years will be financed in FY 2004 as in FY 2003. DoD's FMS workload is level as indicated by actual sales between FY's 1999-2002 in the \$12-13 billion range, and anticipated sales for FY 2003-2004 also in the \$12 billion range.

The following table shows FMS administrative budget amounts for FY's 2002-2004.

Foreign Military Sales Administrative Costs/Workyears
(\$ in millions)

	FY 2002 Actual		FY 2003 Estimate		FY 2004 Request	
	Workyrs	Dollars	Workyrs	Dollars	Workyrs	Dollars
Military Departments	2,595	217.980	2,578	220.470	2,556	223.982
Other Defense Activities	612	114.415	622	107.250	615	109.370
Overseas (Net)	345	25.905	345	28.280	345	27.648
Total	3,552	355.300	3,545	356.000	3,516	361.000

Overseas Military Program Management

United States military personnel are assigned to Security Assistance Organizations (SAOs) overseas to ensure effective planning and management of host country security assistance programs. These individuals, along with U.S. civilians and local national civilians serve under the direction and supervision of the Chiefs of U.S. Diplomatic Missions. The SAO provides liaison among the Mission, the Department of Defense, and the host country defense establishment in security assistance matters.

SAO personnel work closely with members of the host country defense establishment to develop and execute training programs and to accomplish realistic and effective procurement actions. These efforts are key to the development of a defense infrastructure capable of integrating weapons and support systems into the existing force structure. Professional exchanges and cooperative planning contribute to effective and efficient country security assistance programs.

The Department of Defense reviews staffing authorizations in coordination with the Department of State, the Chiefs of U.S. Diplomatic Missions, and the regional area military Combatant Commanders to ensure that SAOs are properly staffed to conduct their missions efficiently.

In FY 2003, separate SAOs will be assigned to seventy-nine countries. In thirty-two additional countries, programs will be administered by augmentation personnel assigned to carry out security assistance management functions under the supervision of the Defense Attaché or other Mission staff. In other countries with which the U.S. maintains a security assistance relationship, Defense Attaches and other Mission personnel manage the programs without augmentation personnel.

The tables on the following pages identify the security assistance authorized staffing levels and associated costs at the conclusion of FY 2002 and the estimated levels for FY 2003 and FY 2004. Actual assigned strengths for FY 2003 and FY 2004 may be less than the authorized levels shown. Staffing requirements may change as individual country programs develop.

U.S. SECURITY ASSISTANCE ORGANIZATIONS

DAO	Defense Attaché Office
JUSMAG	Joint U.S. Military Assistance Group
JUSMAG-K	Joint U.S. Military Affairs Group - Korea
KUSLO	Kenya U.S. Liaison Office
MAP	Military Assistance Program
MDAO	Mutual Defense Assistance Office
NLO	Navy Liaison Office
ODC	Office of Defense Cooperation
ODR	Office of Representative
ODRP	Office of Defense Representative - Pakistan
OMC	Office of Military Cooperation
OMC-K	Office of Military Cooperation - Kuwait
SAO	Security Assistance Office
USLO	U.S. Liaison Office
USMAAG	U.S. Military Assistance Advisory Group
USMILGP	U.S. Military Group
USMLO	U.S. Military Liaison Office
USMTM	U.S. Military Training Mission

The table above is a glossary of Organizations assigned to U.S. Diplomatic Missions overseas that manage host country security assistance programs.

Overseas Military Program Management – Costs
(\$ in thousands)

	ORG.	FY 2002 Actual			FY 2003 Estimate			FY 2004 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
<u>Africa:</u>										
Angola	DAO	9	0	9	11	0	11	12	0	12
Benin	EMBASSY	44	0	44	51	0	51	55	0	55
Botswana	ODC	237	59	296	233	58	291	256	64	320
Cameroon	DAO	8	1	9	11	0	11	11	0	11
Cape Verde	EMBASSY	9	0	9	10	0	10	14	0	14
Chad	DAO	33	8	41	59	0	59	33	0	33
Cote d'Ivoire	DAO	14	2	16	17	0	17	17	0	17
Djibouti	USLO	365	0	365	382	0	382	529	0	529
Eritrea	USLO	169	0	169	192	6	198	324	10	334
Ethiopia	SAO	38	26	64	101	3	104	231	7	238
Gabon	EMBASSY	25	0	25	24	0	24	25	0	25
Ghana	ODC	36	4	40	205	0	205	214	0	214
Guinea	DAO	8	1	9	9	0	9	13	0	13
Guinea-Bissau	EMBASSY	3	0	3	3	0	3	3	0	3
Kenya	KUSLO	356	356	712	581	387	968	598	398	996
Lesotho	EMBASSY	14	0	14	16	0	16	16	0	16
Madagascar	EMBASSY	18	0	18	30	0	30	27	0	27
Malawi	DAO	41	10	51	42	14	56	45	15	60
Mali	DAO	26	0	26	25	0	25	26	0	26
Mauritania	EMBASSY	25	0	25	17	0	17	20	0	20
Mozambique	DAO	11	1	12	17	0	17	17	0	17
Namibia	EMBASSY	32	8	40	65	16	81	68	17	85
Niger	DAO	30	0	30	30	0	30	32	0	32
Nigeria	ODC	240	103	343	337	0	337	465	0	465
Rwanda	DAO	25	3	28	31	0	31	33	0	33
Sao Tome & Principe	EMBASSY	9	0	9	9	0	9	10	0	10
Senegal	ODC	224	110	334	239	123	362	249	128	377
Seychelles	EMBASSY	20	0	20	19	0	19	19	0	19
South Africa	ODC	310	34	344	318	24	342	330	25	355
Tanzania	EMBASSY	6	1	7	10	0	10	11	0	11
Togo	EMBASSY	6	0	6	9	0	9	10	0	10
Uganda	EMBASSY	15	0	15	17	0	17	17	0	17
Zambia	EMBASSY	13	0	13	13	0	13	14	0	14
Zimbabwe	DAO	8	1	9	12	0	12	12	0	12
Regional Total		2,427	728	3,155	3,145	631	3,776	3,756	664	4,420
<u>Western Hemisphere:</u>										
Argentina	USMILGP	324	108	432	373	124	497	392	153	545
Bahamas	USNLO	18	2	20	22	2	24	16	10	26
Belize	USMLO	256	108	364	228	96	324	333	50	383
Bolivia	USMILGP	484	207	691	528	226	754	432	300	732
Brazil	USMLO	218	117	335	242	130	372	198	206	404
Canada	DAO	0	66	66	0	67	67	3	64	67
Chile	USMILGP	268	115	383	246	105	351	242	130	372
Colombia	USMILGP	449	150	599	506	169	675	317	259	576
Costa Rica	ODR	187	62	249	193	64	257	220	62	282
Dominican Republic	USMAAG	225	75	300	280	93	373	272	153	425
Eastern Caribbean	USMLO	324	81	405	349	87	436	281	188	469
Ecuador	USMILGP	337	145	482	343	147	490	549	0	549
El Salvador	USMILGP	514	129	643	582	146	728	736	0	736
Guatemala	USMILGP	229	0	229	207	0	207	236	0	236

	ORG.	FY 2002 Actual			FY 2003 Estimate			FY 2004 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
Guyana	USMLO	16	1	17	17	1	18	12	7	19
Western Hemisphere										
Con't:										
Haiti	USMLO	661	0	661	524	0	524	420	236	656
Honduras	USMILGP	411	176	587	450	193	643	441	124	565
Jamaica	USMLO	221	147	368	244	163	407	309	103	412
Mexico	USMLO	369	246	615	446	297	743	573	201	774
Nicaragua	USMLO	15	1	16	19	1	20	13	8	21
Panama	ODC	119	40	159	113	38	151	112	46	158
Paraguay	ODC	192	21	213	179	20	199	139	75	214
Peru	USMAAG	463	24	487	535	28	563	474	90	564
Suriname	DAO	20	0	20	11	0	11	12	0	12
Trinidad & Tobago	USMLO	37	0	37	44	0	44	41	5	46
Uruguay	ODC	181	97	278	178	96	274	158	146	304
Venezuela	USMILGP	500	167	667	359	120	479	503	56	559
Regional Total		7,038	2,285	9,323	7,218	2,413	9,631	7,434	2,672	10,106
East Asia & Pacific:										
Australia	ODC	151	123	274	180	115	295	166	136	302
Cambodia	DAO	37	25	62	45	22	67	46	23	69
Fiji	DAO	38	9	47	49	0	49	51	0	51
Indonesia	OMADP	254	109	363	280	104	384	253	136	389
Japan	MDAO	139	787	926	113	1,014	1,127	116	1,043	1,159
Malaysia	SAO	276	136	412	281	221	502	292	229	521
Mauritius	EMBASSY	10	0	10	17	0	17	16	0	16
Mongolia	DAO	111	0	111	150	0	150	148	0	148
New Zealand	DAO	0	70	70	35	35	70	19	57	76
Philippines	JUSMAG	246	499	745	424	209	633	441	294	735
Singapore	ODC	158	369	527	165	553	718	169	567	736
South Korea	JUSMAG	596	1,015	1,611	394	1,320	1,714	413	1,384	1,797
Thailand	JUSMAG	700	466	1,166	651	491	1,142	610	499	1,109
Vietnam	DAO	47	0	47	50	0	50	54	0	54
Regional Total		2,763	3,608	6,371	2,834	4,084	6,918	2,794	4,368	7,162
Europe & Eurasia:										
Albania	ODC	141	35	176	163	77	240	169	79	248
Armenia	ODC	48	0	48	167	0	167	179	0	179
Austria	ODC	68	203	271	14	267	281	14	274	288
Azerbaijan	ODC	119	0	119	156	0	156	166	0	166
Belgium	ODC	129	301	430	111	316	427	117	333	450
Bosnia	ODC	152	65	217	145	110	255	149	112	261
Bulgaria	ODC	182	98	280	236	48	284	245	50	295
Croatia	ODC	148	99	247	133	113	246	137	116	253
Czech Republic	ODC	196	161	357	172	187	359	167	181	348
Denmark	ODC	73	293	366	134	299	433	135	300	435
Estonia	ODC	84	102	186	147	63	210	151	65	216
Finland	DAO	0	5	5	1	11	12	1	11	12
France	ODC	20	376	396	362	54	416	374	56	430
Georgia	ODC	124	31	155	203	0	203	212	0	212
Germany	ODC	210	490	700	335	363	698	274	411	685
Greece	ODC	912	608	1,520	349	1,238	1,587	347	1,229	1,576
Hungary	ODC	152	218	370	229	180	408	237	186	423
Italy	ODC	213	497	710	282	480	762	283	482	765
Kazakhstan	SAO	166	136	302	230	85	315	278	150	428
Kyrgyzstan	SAO	77	94	171	51	42	93	126	84	210
Latvia	ODC	148	58	206	172	40	212	177	41	218

	ORG.	FY 2002 Actual			FY 2003 Estimate			FY 2004 Request		
		FMF	FMS	TOTAL	FMF	FMS	TOTAL	FMF	FMS	TOTAL
Lithuania	ODC	115	94	209	102	107	209	105	109	214
Europe & Eurasia Con't:										
Luxembourg	EMBASSY	2	15	17	6	13	19	6	13	19
Macedonia (FYROM)	ODC	137	137	274	69	186	255	78	211	289
Malta	EMBASSY	37	0	37	39	0	39	30	0	30
Moldova	ODC	121	52	173	190	0	190	196	0	196
Netherlands	ODC	125	292	417	128	298	426	131	305	436
Norway	ODC	133	163	296	118	157	275	117	155	272
Poland	ODC	350	350	700	389	389	778	408	408	816
Portugal	ODC	489	210	699	332	405	737	350	428	778
Romania	ODC	59	120	179	93	90	183	96	92	188
Russia	DAO	165	0	165	276	0	276	276	0	276
Slovakia	ODC	81	99	180	96	85	181	99	87	186
Slovenia	ODC	115	75	190	122	63	185	126	65	191
Spain	ODC	96	382	478	210	257	467	214	262	476
Sweden	ODC	0	7	7	0	12	12	0	14	14
Switzerland	DAO	0	16	16	0	31	31	0	34	34
Tajikistan	DAO	171	0	171	130	0	130	139	0	139
Turkey	ODC	1,911	2,533	4,444	2,906	1,707	4,613	2,668	2,012	4,620
Turkmenistan	DAO	64	7	71	125	0	125	134	0	134
Ukraine	ODC	110	134	244	136	188	324	129	178	307
United Kingdom	ODC	114	56	170	100	85	185	103	87	190
Uzbekistan	SAO	82	55	137	104	51	155	119	80	199
Regional Total		7,839	8,667	16,506	9,463	8,097	17,560	9,462	8,700	18,162
Near East & South Asia:										
Afghanistan	OMC	171	0	171	266	0	266	257	0	257
Algeria	DAO	9	0	9	26	0	26	26	0	26
Bahrain	OMC	120	426	546	285	349	634	291	355	646
Bangladesh	DAO	146	62	208	189	6	195	207	6	213
Egypt	OMC	1,224	2,486	3,710	1,830	2,282	4,112	1,911	2,288	4,199
India	DAO	265	47	312	217	84	301	226	88	314
Israel	DAO	0	81	81	25	58	83	26	61	87
Jordan	MAP	310	881	1,191	767	413	1,180	651	434	1,085
Kuwait	OMC	351	39	390	193	302	495	201	314	515
Lebanon	DAO	383	206	590	617	0	617	480	160	640
Morocco	ODC	585	65	650	589	88	677	642	96	738
Nepal	SAO	195	0	195	178	39	217	187	41	228
Oman	OMC	314	400	714	292	342	634	298	350	648
Pakistan	ODRP	322	36	358	331	194	525	262	154	416
Qatar	USLO	44	397	441	251	223	474	259	230	489
Saudi Arabia	USMTM	0	1,072	1,072	0	1,030	1,030	0	1,038	1,038
Sri Lanka	DAO	50	9	59	62	0	62	64	0	64
Tunisia	ODC	346	283	629	344	305	649	349	310	659
United Arab Emirates	USLO	97	714	811	415	415	830	482	482	964
Yemen	DAO	94	77	171	134	72	206	141	76	217
Regional Total		5,026	7,281	12,307	7,011	6,202	13,213	6,960	6,483	13,443
WORLDWIDE TOTAL		25,093	22,569	47,662	29,671	21,427	51,098	30,406	22,887	53,293

NOTE: Totals may not add due to rounding.

Overseas Military Program Management - Personnel Strengths

ORG.	FY 2002 Actual				FY 2003 Estimate				FY 2004 Request				
	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	
Africa:													
Botswana	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Chad	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Djibouti	USLO	1	0	1	2	1	0	1	2	1	0	1	2
Eritrea	USLO	1	0	0	1	1	0	0	1	1	0	0	1
Ethiopia	SAO	1	0	0	1	1	0	0	1	1	0	0	1
Ghana	ODC	0	1	0	1	0	1	0	1	0	1	0	1
Kenya	KUSLO	4	2	1	7	4	2	1	7	4	2	1	7
Namibia	EMBASSYb/	0	1	0	1	0	1	0	1	0	1	0	1
Niger	DAO	0	0	1	1	0	0	1	1	0	0	1	1
Nigeria	ODC	2	0	0	2	3	0	0	3	3	0	0	3
Rwanda	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Senegal	ODC	1	0	2	3	1	0	3	4	1	0	3	4
South Africa	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Regional Total		14	4	8	26	15	4	9	28	15	4	9	28
Western Hemisphere:													
Argentina	USMILGP	3	0	2	5	3	0	2	5	3	0	2	5
Barbados	USMLOc/	2	0	0	2	2	0	0	2	2	0	0	2
Belize	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Bolivia	USMILGP	5	2	2	9	5	2	2	9	5	2	1	8
Brazil	USMLO	4	0	0	4	4	0	0	4	4	0	0	4
Canada	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Chile	USMILGP	2	0	2	4	2	0	2	4	2	0	2	4
Colombia	USMILGP	5	0	3	8	5	0	3	8	5	3	3	11
Costa Rica	ODR	1	0	1	2	1	0	1	2	1	0	1	2
Dominican Republic	USMAAG	2	0	0	2	2	0	0	2	2	0	0	2
Ecuador	USMILGP	4	1	3	8	4	1	3	8	5	1	2	8
El Salvador	USMILGP	4	1	2	7	4	1	2	7	3	0	2	5
Guatemala	USMILGP	1	0	1	2	1	0	1	2	1	0	1	2
Guyana	USMLO	0	0	0	0	0	0	0	0	0	0	0	0
Haiti	USMLO	3	0	1	4	3	0	1	4	3	0	1	4
Honduras	USMILGP	5	1	4	10	5	1	4	10	4	1	3	8
Jamaica	USMLO	2	0	0	2	2	0	0	2	2	0	0	2
Mexico	DAOa/	3	1	4	8	3	1	4	8	3	1	4	8
Nicaragua	DAOa/	0	0	0	0	0	0	0	0	1	1	0	2
Panama	DAOa/	2	0	1	3	2	0	1	3	2	0	1	3
Paraguay	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Peru	USMAAG	3	1	5	9	3	1	5	9	1	0	4	5
Suriname	DAOa/	0	0	0	0	0	0	0	0	1	0	0	1
Trinidad and Tobago	USMLO	0	0	0	0	0	0	0	0	1	0	0	1
Uruguay	USODC	1	0	3	4	1	0	3	4	1	0	3	4
Venezuela	USMILGP	2	1	2	5	2	1	2	5	2	1	3	6
Regional Total		58	8	38	104	58	8	38	104	58	10	35	103
East Asia & Pacific:													
Australia	ODC a/	4	1	1	6	4	1	1	6	4	1	1	6
Bangladesh	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Cambodia	DAOa/	1	0	2	3	1	0	2	3	1	0	2	3
Fiji	DAOa/	1	0	1	2	1	0	1	2	1	0	1	2
Indonesia	DAOa/	1	0	4	5	1	0	4	5	1	0	4	5
Japan	MDAO	5	3	6	14	5	3	6	14	5	3	6	14
Malaysia	SAO	3	0	5	8	3	0	5	8	3	0	5	8
Mongolia	DAOb/	1	0	1	2	1	0	1	2	1	0	1	2
New Zealand	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Philippines	JUSMAG	5	1	4	10	5	1	4	10	5	1	4	10
Singapore	ODC	7	0	3	10	7	0	3	10	7	0	3	10
Sri Lanka	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
South Korea	JUSMAG-K	17	0	10	27	17	0	10	27	16	0	10	26
Thailand	JUSMAG	14	1	11	26	14	1	11	26	14	1	11	26
Vietnam	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Regional Total		60	6	52	118	60	6	52	118	59	6	52	117

ORG.	FY 2002 Actual				FY 2003 Estimate				FY 2004 Request				
	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	MIL	CIV	LOCAL	TOT	
<u>Europe and Eurasia:</u>													
Albania	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Armenia	ODC	0	0	0	0	0	0	0	0	1	0	0	1
Austria	ODC	2	0	0	2	2	0	0	2	2	0	0	2
Azerbaijan	ODC	0	0	0	0	1	0	1	2	1	0	1	2
Belgium	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Bosnia	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Bulgaria	ODC	2	0	0	2	2	0	1	3	2	0	2	4
Croatia	ODC	1	1	0	2	1	1	1	3	1	1	1	3
Czech Republic	ODC	1	0	2	3	1	0	2	3	1	0	2	3
Denmark	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Estonia	ODC	2	0	1	3	2	0	1	3	2	0	1	3
France	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Georgia	ODC	1	0	1	2	1	0	2	3	1	0	2	3
Germany	ODC	5	2	3	10	5	1	2	8	5	1	2	8
Greece	ODC	8	1	7	16	8	1	7	16	8	1	7	16
Hungary	ODC	1	1	2	4	1	1	2	4	1	1	2	4
Italy	ODC	3	1	5	9	3	1	4	8	3	1	4	8
Kazakhstan	SAO	2	0	1	3	2	0	1	3	2	0	1	3
Kyrgyzstan	SAO	1	1	1	3	1	1	1	3	1	1	1	3
Latvia	ODC	1	0	1	2	2	0	1	3	2	0	2	4
Lithuania	ODC	1	0	1	2	2	0	1	3	2	0	2	4
Macedonia (FYROM)	ODC	2	0	2	4	2	0	2	4	2	0	2	4
Moldova	ODC	1	0	1	2	1	0	1	2	1	0	1	2
Netherlands	ODC	2	1	2	5	2	1	2	5	2	1	2	5
Norway	ODC	2	0	1	3	2	0	1	3	2	0	1	3
Poland	ODC	3	0	3	6	4	0	3	7	4	0	3	7
Portugal	ODC	5	1	3	9	4	0	3	7	4	0	3	7
Romania	ODC	1	0	1	2	1	0	2	3	1	0	2	3
Russia	DAOa/	2	0	0	2	2	0	0	2	2	0	0	2
Serbia	ODC	0	0	0	0	0	0	0	0	1	0	0	1
Slovakia	ODC	1	0	0	1	2	0	1	3	2	0	2	4
Slovenia	ODC	1	0	1	2	1	0	2	3	1	0	2	3
Spain	ODC	4	2	1	7	4	2	1	7	4	2	1	7
Tajikistan	DAOa/	0	0	0	0	0	0	0	0	1	0	0	1
Turkey	ODC	22	4	9	35	22	1	6	29	19	1	6	26
Turkmenistan	DAOa/	1	0	0	1	1	0	1	2	1	0	1	2
Ukraine	ODC	1	0	1	2	1	0	2	3	1	0	2	3
United Kingdom	ODC	2	1	0	3	2	1	0	3	2	1	0	3
Uzbekistan	SAO	1	1	1	3	1	1	1	3	1	1	1	3
Regional Total		87	19	60	166	91	14	64	169	91	14	68	173
<u>Near East/South Asia:</u>													
Afghanistan	OMC	0	0	0	0	5	0	1	6	5	0	0	5
Bahrain	OMC	6	1	0	7	6	1	0	7	6	1	0	7
Bangladesh	DAOa/	0	0	1	1	1	0	1	2	1	0	1	2
Egypt	OMC	28	8	12	48	27	8	12	47	27	8	12	47
India	DAOa/	1	1	2	4	1	1	2	4	2	1	2	5
Israel	DAOa/	0	1	0	1	0	1	0	1	0	0	1	1
Jordan	MAP	8	2	4	14	8	2	4	14	9	1	4	14
Kuwait	OMC	10	2	1	13	10	2	1	13	10	1	1	12
Lebanon	DAOa/	1	0	3	4	1	0	3	4	1	0	3	4
Madagascar	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Morocco	ODC	3	1	4	8	2	1	3	6	2	1	3	6
Nepal	SAO	1	0	1	2	1	0	1	2	1	0	1	2
Oman	OMC	5	1	1	7	5	1	1	7	5	1	1	7
Pakistan	ODRP	2	1	3	6	3	1	3	7	3	1	3	7
Qatar	USLO	2	1	0	3	2	1	0	3	2	1	0	3
Saudi Arabia	USMTM	64	2	9	75	59	2	8	69	59	0	7	66
Sri Lanka	DAOa/	0	0	1	1	0	0	1	1	0	0	1	1
Tunisia	ODC	6	1	1	8	4	1	0	5	4	1	0	5
United Arab Emirates	USLO	6	1	1	8	6	1	1	8	6	1	1	8
Yemen	DAOa/	0	0	1	1	2	0	1	3	2	0	1	3
Regional Total		143	23	46	212	143	23	44	210	145	18	43	206
WORLDWIDE TOTAL		362	60	204	626	367	55	207	629	368	52	207	627

ORG.	MIL	FY 2002 Actual			MIL	FY 2003 Estimate			MIL	FY 2004 Request		
		CIV	LOCAL	TOT		CIV	LOCAL	TOT		CIV	LOCAL	TOT

- a/ Personnel authorized to assist the DAO with security assistance management functions.
- b/ Personnel authorized to assist the Embassy with security assistance management functions.
- c/ Manages programs for Eastern Caribbean countries.

Excess Defense Articles

The Excess Defense Articles (EDA) program enables the United States to meet foreign policy objectives while simultaneously supporting our friends and allies in improving their defense capabilities. EDA can be sold to any country eligible to purchase defense articles, or provided on a grant basis to countries justified in the country papers to receive grant EDA. Providing EDA on a grant basis turns U.S. defense items that are in excess of our Approved Force Acquisition Objective and Approved Force Retention Stock into instruments that meet a number of our national security interests. Some of the objectives met by EDA are: strengthening coalitions; cementing bilateral foreign military relationships; enhancing interoperability; furthering legitimate modernization efforts of our allies; aiding in multilateral peacekeeping efforts; combating illegal narcotics production and narco-trafficking; and aiding in demining assistance programs.

Providing EDA on a grant basis has contributed to our foreign policy successes. This excess equipment has helped our Latin American and Caribbean friends combat the threat of illegal narco-trafficking, and has permitted many South American and African nations to participate in support of U.S. and U.N. peacekeeping operations. Grant EDA contributes to regional stability by supporting the ongoing military reform efforts of the democratic Central Europe and Baltic governments. Additionally, grant EDA has a positive global impact--furthering U.S. national security interests and supporting the growth and strengthening of democracies, promoting military reform, and fighting the spread of illicit narcotics.

EDA articles are transferred in an "as is, where is" condition to the recipient and are only offered in response to a demonstrated requirement. The grant EDA program operates at essentially no cost to the U.S. with the recipient responsible for any required refurbishment and repair of the items as well as any associated transportation costs. The vast majority of EDA items are of low to medium technologies that do not present proliferation concerns.

Each grant eligible country has a justification statement providing the objective and proposed use of potential EDA within each country paper. Eligibility simply permits a nation to be considered for grant EDA and does not guarantee the transfer of any EDA, nor does it circumvent or bypass in any way the comprehensive case-by-case review each potential EDA offer receives. Furthermore, all potential EDA transfers are subject to the same Conventional Arms Transfer Policy interagency review as any other government-to-government transfer.

Grants of Excess Defense Articles
Under the Provisions of the Foreign Assistance Act
(\$ in thousands)

	OFFERED IN FY 2002		DELIVERED IN FY 2002	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<u>AFRICA:</u>				
GHANA	0	0	1,900	380
SENEGAL	23,232	7,008	3,102	155
REGIONAL TOTAL	23,232	7,008	5,002	535
<u>EAST ASIA & PACIFIC:</u>				
PHILIPPINES	32,287	3,799	6,713	2,806
THAILAND	381	76	380	76
REGIONAL TOTAL	32,668	3,875	7,093	2,882
<u>EUROPE & EURASIA:</u>				
AZERBAIJAN	575	115	0	0
BOSNIA-HERZEGOVINA	0	0	3,691	371
ESTONIA	273	55	0	0
GEORGIA	0	0	575	230
GREECE	33,477	3,408	0	0
KAZAKHSTAN	0	0	159	56
LATVIA	36	7	0	0
LITHUANIA	477	95	0	0
POLAND	136,536	27,307	136,536	27,307
PORTUGAL	306	153	16	0
TURKEY	184,830	22,140	171,298	19,436
REGIONAL TOTAL	356,510	53,280	312,275	47,427
<u>NEAR EAST & SOUTH ASIA:</u>				
BAHRAIN	41,558	11,602	2,035	203
EGYPT	0	0	77,546	10,846
ISRAEL	145,300	22,138	34,426	4,963
JORDAN	794	390	0	0
LEBANON	0	0	1,247	157
MOROCCO	15,783	4,024	29,313	4,233
SRI LANKA	0	0	13,295	5,318
TUNISIA	0	0	81,111	30,929
YEMEN	0	0	1,444	289
REGIONAL TOTAL	203,435	38,154	240,417	56,938
<u>WESTERN HEMISPHERE:</u>				
ARGENTINA	530	212	8,478	848
BOLIVIA	0	0	3,300	459
BRAZIL	2,905	1,162	923	93
COLOMBIA	33,967	3,397	2,100	2,365
DOMINICAN REPUBLIC	37,381	7,043	2,496	838
ECUADOR	952	281	165	47
EL SALVADOR	1,348	400	15,000	6,000
GUYANA	0	0	1	0
HONDURAS	47	9	0	0
MEXICO	0	0	99	5
PANAMA	47	9	15,000	6,000
PERU	878	1,125 *	0	0
URUGUAY	70	28	0	0
REGIONAL TOTAL	78,125	13,666	47,562	16,655
WORLDWIDE TOTAL	693,97	115,986	612,350	124,439

*Current Value exceeds Acquisition Value due to a major overhaul cost being included.

NOTE: Totals may not add due to rounding.

**Sales of Excess Defense Articles
Under Foreign Military Sales Provisions**
(\$ in thousands)

	OFFERED IN FY 2002		DELIVERED IN FY 2002	
	ACQ. VALUE	CURRENT VALUE	ACQ. VALUE	CURRENT VALUE
<u>EAST ASIA & PACIFIC:</u>				
AUSTRALIA	0	0	1,500	1,222
KOREA	75,000	11,331	0	0
NEW ZEALAND	0	0	27,666	2,767
REGIONAL TOTAL	75,000	11,331	29,166	3,989
<u>EUROPE & EURASIA:</u>				
TURKEY	200,736	42,182	259	104
REGIONAL TOTAL	200,736	42,182	259	104
<u>NEAR EAST & SOUTH ASIA:</u>				
ISRAEL	448	45	14	6
LEBANON	0	0	620	31
REGIONAL TOTAL	448	45	634	37
<u>WESTERN HEMISPHERE:</u>				
ARGENTINA	0	0	2,211	114
BRAZIL	0	0	1,820	364
MEXICO	0	0	38,827	3,883
REGIONAL TOTAL	0	0	42,858	4,361
<u>NON-REGIONAL:</u>				
NAMSA	2,433	486	17	3
NON-REGIONAL TOTAL	2,433	486	17	3
WORLDWIDE TOTAL	278,617	54,044	73,934	8,493

NOTE: Totals may not add due to rounding

Leased Defense Articles

The lease of defense articles can be authorized under the Arms Export Control Act (AECA), Chapter 6, if there are compelling U.S. foreign policy and national security reasons for providing defense articles on a lease rather than a sales basis. Defense articles cannot be leased if they are needed for public use during the period of the lease.

Except for leases entered into for the purposes of cooperative research or development, military exercises, or communications or electronics interface projects, the country leasing the defense article(s) must agree to pay, in U.S. dollars, all costs incurred by the United States Government in leasing the article(s). These costs include reimbursement for depreciation of the article(s) while leased. In addition, the country must also pay the cost of restoration or replacement if the article(s) are damaged while leased. If the article(s) is lost or destroyed while leased, the U.S. requires funds to cover the replacement cost (less depreciation, if any) or an amount equal to the actual value (less depreciation) when the article(s) will not be replaced in the U.S. inventory.

The President may waive reimbursement of depreciation for any defense article which has passed three-quarters of its normal service life if the President determines that to do so is important to the national security interests of the United States. In some cases, the President may waive the reimbursement of all lease charges with respect to a lease that is made in exchange with the lessee for a lease on substantially reciprocal terms of defense articles for the Department of Defense. Waivers for depreciation or reciprocity are made before the implementation of the lease agreement.

Leases are conducted for a fixed duration of time not to exceed five years and provide that, at any time during the lease, the U.S. may terminate the lease and require the immediate return of the defense article(s).

Leases Under the Arms Export Control Act Implemented FY 2002
(\$ in thousands)

	REPLACEMENT VALUE	TOTAL RENTAL VALUE
<u>East Asia & Pacific:</u>		
Australia	9,152	1,491
Singapore	7,353	184
Regional Total	11,016	2,405
<u>Europe and Eurasia:</u>		
Estonia	45	0
Germany	25	3
Lithuania	49	0
Switzerland	40	5
United Kingdom	138	5
Regional Total	297	13
<u>Near East & South Asia:</u>		
Egypt	607	8
Israel	120	4
Regional Total	727	12
WORLDWIDE TOTAL	12,040	2,430

Stockpiling of Defense Articles for Foreign Countries

Section 541(b) of the Foreign Assistance Act of 1961 (FAA), as amended, establishes annual ceilings on the value of additions of defense articles located abroad that may be set aside, reserved, or otherwise earmarked from U.S. military inventories for use as War Reserves Stocks by Allies (WRSA) or other foreign countries (other than NATO). Most defense articles added to stockpiles under this ceiling will come from existing stocks.

In FY 2004, no defense articles will be added to existing stockpiles as items are in sufficient supply to provide the necessary support.

Value of Annual Ceiling for Stockpiling
(\$ in thousands)

Fiscal Year	Amount Stockpiled
1976 & 1977	95,750
1977	152,000
1978	270,000
1979	90,000
1980	95,000
1981	85,000
1982	130,000
1983	125,000
1984	125,000
1985	248,000
1986	360,000
1987	125,000
1988	116,000
1989	77,000
1990	165,000
1991	378,000
1992	300,000
1993	389,000
1994	292,000
1995	250,000
1996	50,000
1997	50,000
1998	60,000
1999	340,000
2000	60,000
2001	50,000
2002	0
2003	0
2004	0

Countries and International Organizations Eligible for Purchasing Defense Articles and Services from the United States Government

Country	Date of Determination
Africa	
Angola	July 28, 1995
Benin	January 02, 1973
Botswana	February 06, 1979
Burkina Faso	January 02, 1973
Burundi	August 24, 1991
Cameroon	January 02, 1973
Cape Verde	June 10, 1985
Central African Republic	February 02, 1987
Chad	September 01, 1977
Comoros	May 26, 1992
Cote D'Ivoire	January 02, 1973
Democratic Republic of Congo	August 24, 1991
Djibouti	May 17, 1982
Equatorial Guinea	November 28, 1983
Eritrea	February 18, 1994
Ethiopia	January 02, 1973
Gabon	January 02, 1973
Gambia	February 02, 1987
Ghana	January 02, 1973
Guinea	January 02, 1973
Guinea-Bissau	June 10, 1985
Kenya	October 29, 1974
Lesotho	October 25, 1990
Liberia	January 02, 1973
Madagascar	February 04, 1985
Malawi	January 02, 1973
Mali	June 10, 1985
Mauritania	October 29, 1974
Mauritius	August 22, 1995
Mozambique	April 10, 1985
Namibia	October 25, 1990
Niger	January 02, 1973
Nigeria	January 02, 1973
Republic of the Congo	January 02, 1973
Rwanda	February 27, 1981
Sao Tome & Principe	May 27, 1988
Senegal	January 02, 1973
Seychelles	July 20, 1989
Sierra Leone	February 05, 1985
Somalia	November 05, 1976
South Africa	June 27, 1994
Sudan	November 05, 1976
Tanzania	July 20, 1989
Togo	February 11, 1985
Uganda	July 20, 1989

Zambia August 11, 1992
Zimbabwe October 26, 1982

East Asia & Pacific

Australia January 02, 1973
Brunei January 02, 1973
Burma January 02, 1973
Cambodia January 02, 1973
China June 12, 1984
Cook Islands January 6, 1993
East Timor May 27, 2002
Fiji August 05, 1975
Indonesia January 02, 1973
Japan January 02, 1973
Korea January 02, 1973
Kiribati March 12, 2002
Laos January 02, 1973
Malaysia January 02, 1973
Marshall Islands January 06, 1993
Micronesia January 06, 1993
Mongolia August 22, 1995
New Zealand January 02, 1973
Palau March 12, 2002
Papua New Guinea December 04, 1980
Philippines January 02, 1973
Samoa January 06, 1993
Singapore January 02, 1973
Solomon Islands January 06, 1993
Taiwan January 02, 1973
Thailand January 02, 1973
Tonga November 5, 1987
Tuvalu March 12, 2002
Vanuatu January 06, 1993
Vietnam January 02, 1973

Europe & Eurasia

Albania March 22, 1994
Armenia April 18, 2002
Austria January 02, 1973
Azerbaijan April 18, 2002
Belgium January 02, 1973
Bosnia and Herzegovina February 23, 1996
Bulgaria March 22, 1994
Canada January 02, 1973
Croatia April 08, 1999
Czech Republic January 05, 1994
Denmark January 02, 1973
Estonia March 22, 1994
Federal Republic of Yugoslavia January 02, 1973 Now invalid
Finland January 02, 1973
France January 02, 1973

Georgia	March 11, 1997
Germany	January 02, 1973
Greece	January 02, 1973
Hungary	December 06, 1991
Iceland	January 02, 1973
Ireland	January 02, 1973
Italy	January 02, 1973
Kazakhstan	March 11, 1997
Kyrgyzstan	March 11, 1997
Latvia	March 22, 1994
Lithuania	March 22, 1994
Luxembourg	January 02, 1973
Macedonia	March 08, 1996
Malta	January 02, 1973
Moldova	March 11, 1997
Netherlands	January 02, 1973
Norway	January 02, 1973
Poland	December 06, 1991
Portugal	January 02, 1973
Romania	March 22, 1994
Russia	March 11, 1997
Slovakia	January 05, 1994
Slovenia	March 08, 1996
Spain	January 02, 1973
Sweden	January 02, 1973
Switzerland	January 02, 1973
Tajikistan	April 18, 2002
Turkey	January 02, 1973
Turkmenistan	March 11, 1997
Ukraine	March 11, 1997
United Kingdom	January 02, 1973
Uzbekistan	March 11, 1997
Near East	
Algeria	April 8, 1983/April 10, 1985
Bahrain	January 02, 1973
Egypt	August 01, 1977
Iran	January 02, 1973
Israel	January 02, 1973
Jordan	January 02, 1973
Kuwait	January 02, 1973
Lebanon	January 02, 1973
Libya	January 02, 1973
Morocco	January 02, 1973
Oman	January 02, 1973
Qatar	January 02, 1973
Saudi Arabia	January 02, 1973
Tunisia	January 02, 1973
United Arab Emirates	January 02, 1973
Yemen	January 02, 1973

South Asia

Afghanistan	January 2, 1973
Bangladesh	December 31, 1980
India	January 02, 1973
Nepal	January 02, 1973
Pakistan	January 02, 1973
Sri Lanka	January 02, 1973

Western Hemisphere

Antigua & Barbuda	April 8, 1982
Argentina	January 02, 1973
Bahamas	December 13, 1973
Barbados	June 21, 1979
Belize	November 23, 1981
Bolivia	January 02, 1973
Brazil	January 02, 1973
Chile	January 02, 1973
Colombia	January 02, 1973
Costa Rica	January 02, 1973
Dominica	March 13, 1980
Dominican Republic	January 02, 1973
Ecuador	January 02, 1973
El Salvador	January 02, 1973
Grenada	April 03, 1984
Guatemala	January 02, 1973
Guyana	August 30, 1993
Haiti	January 02, 1973
Honduras	January 02, 1973
Jamaica	January 02, 1973
Mexico	January 02, 1973
Nicaragua	January 02, 1973
Panama	January 02, 1973
Paraguay	January 02, 1973
Peru	January 02, 1973
St. Kitts-Nevis	April 9, 1984
St. Lucia	March 13, 1980
St. Vincent & Grenadines	March 13, 1980
Suriname	April 14, 1976
Trinidad & Tobago	January 02, 1973
Uruguay	January 02, 1973
Venezuela	January 02, 1973

International Organization

Economic Community of West African States (ECOWAS)	February 17, 2000
NATO and its Agencies	January 2, 1973
Organization of African Unity	August 25, 1992
Organization of American States	January 2, 1973
Organization for Security and Cooperation in Europe	June 30, 1999
United Nations and its Agencies	January 2, 1973

Pursuant to Section 25(a)(8) of the Arms Export Control Act (AECA), the above is a listing of the countries and international organizations that the President has determined to be eligible under Section 3(a)(1) of the AECA to purchase defense articles and services. That a determination of record under Section 3(a)(1) exists does not signify in itself that sales will be made.

End-Use Monitoring of Defense Articles and Defense Services Government to Government Programs

Section 40A of the AECA, as added by PL 104-164, established an end-use monitoring program that requires, to the extent practicable, monitoring of U.S. arms transfers. This is accomplished by providing “reasonable assurance” that recipients comply with U.S. Government export control requirements regarding the use, transfer, and security of defense articles and services. This is the legal basis for DoD’s end-use monitoring program called Golden Sentry.

The DoD Golden Sentry program differs from Department of State’s Blue Lantern program in that the latter focuses on direct commercial sales and export licensing, whereas Golden Sentry focuses on government-to-government, “cradle to grave”, i.e., shipping, receiving, use and final disposition of equipment and services.

The overall objective of the Golden Sentry program is to minimize security risks through compliance with arms transfer provisions supporting U.S. national security and foreign policy objectives. Specifically, before government-to-government shipments are made, DoD coordinates the transfer closely with the Embassy country team, appropriate regional commander-in-chief, other Government interagency offices, and with the acquiring country or international organization. Each defense item transfer must be preceded by formal agreement. Each agreement includes appropriate end-use and retransfer restrictions.

Through its enhanced end-use monitoring program, DoD applies tighter controls for more sensitive items. To help ensure proper controls are maintained, DoD manages transportation for more sensitive items to the point of physical turnover to appropriate country representatives. Physical security for transfers of arms, ammunition, and explosives are similar to those required for U.S. forces. The process for transfer of classified items include pre-release security surveys, special bilateral agreement prior to release, and follow-on surveys to verify that recipients retain appropriate item protection measures. Trust with verification and enforcement are the two essential elements of the enhanced end-use monitoring effort.

Notable EUM efforts since the last report include:

--The Defense Security Cooperation Agency (DSCA) established a formal EUM program for government-to-government transfers of defense articles and services under the name Golden Sentry. The second annual Golden Sentry EUM program policy message to the Security Assistance community was sent to Security Assistance Organizations (SAOs), setting forth Golden Sentry mission, goals and objectives.

--Recruitment to fill the first dedicated EUM billet at DSCA was completed and the billet filled in June 2002. This career civilian provides the first full-time manpower to flesh out and start implementation of the EUM program under Golden Sentry.

--DSCA continued outreach efforts to ascertain and establish relationships with those U.S. governmental agencies which can help in identifying and monitoring those defense items that incorporate sensitive technology or are particularly vulnerable to diversion or other misuse (such as reverse engineering).

--EUM activity was added to the annual SAO tasking as a separate workload measure. A detailed explanation was developed to clarify which tasks performed by SAOs should be included in the EUM category .

-- Initial visits to selected Unified Commands and to foreign countries were conducted during the latter part of 2002 to educate personnel on Golden Sentry goals and objectives. Information gained from these visits was used to refine and improve Golden Sentry processes and procedures. Golden Sentry program

responsibilities policy memoranda were generated. Through fact finding and assessment visits, the Golden Sentry roles and missions guidance is being finalized.

DoD continues to monitor its transfer processes to detect and minimize any opportunities for unauthorized end-use of U.S.-origin defense articles. Over the past year, the provisions of Section 40A of the AECA have been implemented within existing personnel and resource ceilings. EUM as a whole has increased in its visibility and understanding as a potentially critical tool in support of the following objectives:

- a. To impede the access of potential adversaries to military significant items and technologies, including those that contribute to the proliferation of weapons of mass destruction.
- b. Promote a capable defense industrial base to ensure global competitiveness and continued technological advantages enjoyed by U.S. military forces over potential adversaries.
- c. Encourage foreign government support for U.S. principles, laws, regulations, and practices concerning the sale, transfer, and end-use of defense articles and services.

There is much left to accomplish; however, the momentum is positive and the EUM Golden Sentry program direction is clear: to protect key technologies and maintain our edge over those entities with interests unfriendly to those of our country.

End-Use Monitoring of Defense Articles and Defense Services Commercial Exports

This report describes the actions the Department of State took in the past fiscal year under Section 40A of the Arms Export Control Act (AECA) to implement end-use monitoring of the commercial export of defense articles, services, and related technical data subject to licensing under Section 38 of the AECA. The Office of Defense Trade Controls, in the Bureau of Political-Military Affairs (PM/DTC), Department of State, is responsible for administering the International Traffic in Arms Regulations (ITAR) that implement the AECA. DTC's functions include registration of manufacturers, brokers, and exporters, licensing of commercial defense trade, overseeing company compliance with US export regulations, supporting U.S. law enforcement agencies in criminal investigations and prosecutions, and finally, the end-use monitoring of licensed transactions.

DTC currently consists of 71 full-time State Department personnel and about 30 contract personnel who ensure proper licensing and contribute to end-use monitoring efforts. DTC's operational budget for FY 2002 amounted to approximately \$9.5 million.

Overseas Monitoring: The Blue Lantern Program

Initiated in September 1990 as the first systematic end-use check program, the Blue Lantern program has strengthened export controls and has proven to be a useful instrument in: 1) deterring diversions, 2) aiding the disruption of illicit supply networks used by rogue governments and international criminal organizations, and 3) helping the Department make informed licensing decisions and ensuring compliance with the AECA and the ITAR. End-use checks performed under the Blue Lantern program have significantly encouraged compliance with legal and regulatory requirements and have proven particularly effective in addressing the growing problem of gray arms trade - the use of fraudulent export documentation to acquire defense articles through legitimate channels for end-users inimical to U.S. interests. Blue Lantern end-use checks are conducted by U.S. mission personnel abroad or in some instances DTC personnel to verify the destination and specific end-use and end-users of U.S. commercial defense exports and transfers.

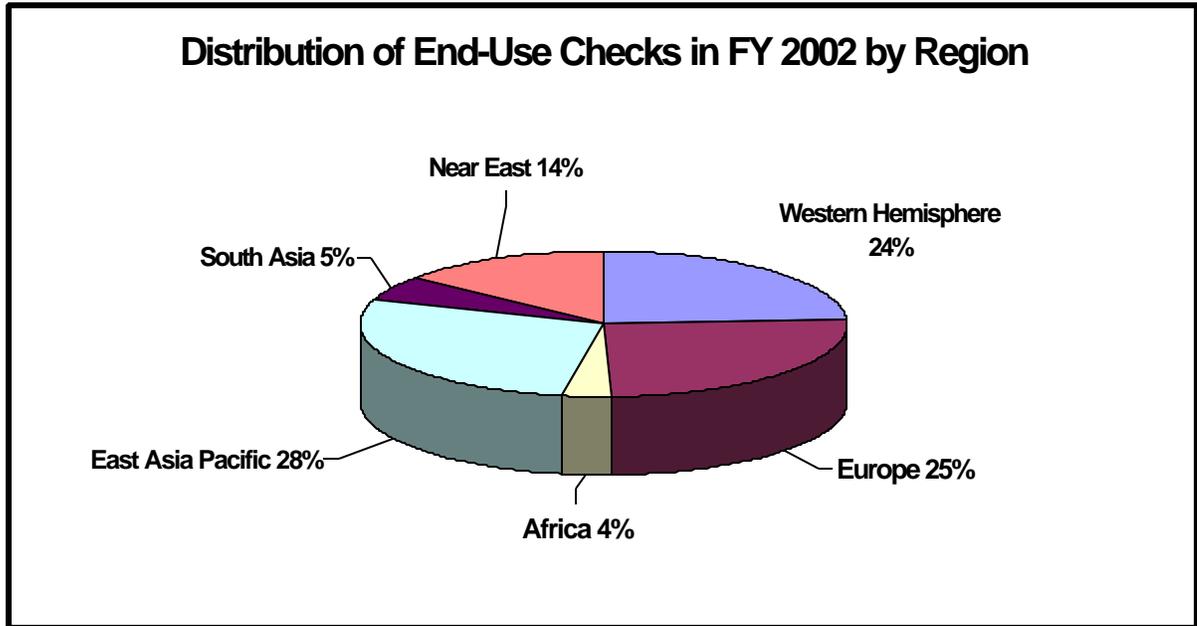
The verification of the destination and end-use of U.S. defense exports supports policy goals related to restraints placed on arms sales and facilitation of legitimate defense trade. These goals include:

- Impeding access to military items and technologies by persons and organizations who do not have the best interests of the United States or our friends and allies in mind, including those which contribute to the proliferation of weapons of mass destruction,
- Preserving continued technological advantages enjoyed by U.S. military forces and U.S. friends and allies over potential adversaries, and
- Encouraging foreign government support for U.S. principles, laws, regulations, and practices concerning the responsible sale, transfer, and end-use of defense equipment and services.

Results of End-Use Checks in FY 2002

In FY 2002, DTC initiated 428 checks, exceeding last year's number of 410 checks. Blue Lantern checks performed in FY 2002 resulted in 50 unfavorable cases. A regional breakdown of the 428 checks performed follows in Table 1.

Table 1:



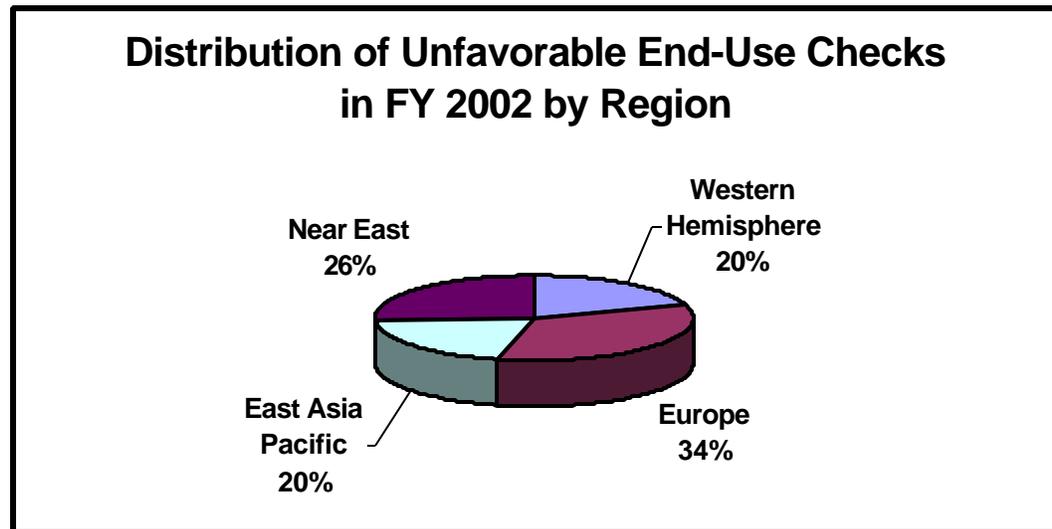
Analysis of Unfavorable Checks by Commodity:

In terms of the commodities involved in unfavorable determinations, the most prevalent are firearms and ammunition, which represented thirty-eight percent (19/50) of unfavorable cases. Twenty-four percent (12/50) involved the sale of electronics and communications equipment. Eighteen percent (9/50) of the unfavorable cases involved aircraft spare parts that were at risk of being diverted to prohibited countries (e.g. China, Iran, and Iraq). These prohibited countries actively seek these spare parts to circumvent U.S. military embargoes and to increase the operational readiness of military aircraft in their inventories. The remaining unfavorable checks involved commodities such as missiles spare parts, bombs, spare parts for tanks and military vehicles, and night vision equipment.

Analysis of Unfavorable Checks by Region:

As in previous years, the incidence of Western European-based intermediaries involved in suspicious transactions continues to be notable. In FY 2002, 26% of the 50 unfavorable checks, mostly for the export of aircraft spare parts, involved possible transshipments through allied countries. Possible transshipments through Europe as a whole accounted for 34% of the unfavorable checks (Table 2).

Table 2:



Generally, the unfavorable checks involving European companies tended to include aircraft spare parts as well as communications and electronics equipment. Unfavorable cases in Latin America involved commodities such as firearms, ammunition, and explosives. No discernable commodity trend was found in the unfavorable checks involving companies in Asia or the Near East.

Reasons for Unfavorable Checks in FY 2002:

In 34% of the unfavorable cases in FY 2002, the foreign entities involved in the proposed transactions were not legitimate entities or were otherwise found ineligible to receive the items in question. Similarly, in 22% of the unfavorable cases, the purported end-user did not order the items in question. In 8% of unfavorable cases, the foreign end-user could not adequately justify the purchase of what was deemed by DTC to be an excessive quantity of items requested.

- The following examples illustrate the effectiveness of the Blue Lantern Program in FY 2002:
- Possible diversion and misuse was precluded by a Blue Lantern pre-license check which found that the Central Asian company participating in a technical agreement was not a reliable recipient of US technical data and equipment.
- A Blue Lantern pre-license check conducted on a license for aircraft spare parts revealed that the Western European government end-user never had a contract with the intermediary listed on the license. The case is now the subject of bilateral negotiations with this country in order to shut down the operations of the intermediary.
- A pre-license check conducted on the export of aircraft spare parts to a Middle Eastern country discovered that the government end-user did not have a contract with the European intermediary involved in the transaction. The case is now the subject of a U.S. Customs investigation.

- A pre-license check conducted on the export of an excessive amount of propellants to a Latin American country revealed that the quantity of the order could not be justified by the end-user. The quantity approved was therefore reduced by a significant amount.
- A license for a significant amount of firearms was not issued due to information retrieved through a Blue Lantern pre-license check, which revealed that the company in Asia was re-exporting US –origin firearms to other countries without authorization from the Department.
- A post-shipment check for export of helicopter parts to a European country revealed that not all of the parts went to the end-user listed on the license, but to another company not authorized on the license. The case is currently under investigation.
- A pre-license check on the proposed export of M16 parts to an Asian country indicated that the company involved was not authorized to import such items. As a result, the license was not issued.

End-Use Monitoring and Outreach

The profile of the Blue Lantern Program has been enhanced by DTC’s outreach efforts to US embassies, US exporters, and foreign governments. In FY 2002 DTC officers presented Blue Lantern briefings at various embassies in Europe in order to provide additional guidance to posts on the implementation and conduct of end-use checks. Briefings were also given to relevant host government officials to make them aware of the goals and purpose of the program as well as to facilitate its implementation abroad. Furthermore, DTC officers also attended conferences in the US and abroad in order to increase understanding of the program by foreign governments and US exporters and to emphasize the utility of end-use monitoring in fighting the gray arms trade. DTC plans to continue these outreach efforts in the future.

Compliance/Enforcement: State-U.S. Customs Service (USCS) Cooperation

State-U.S. Customs Service cooperation (USCS has the responsibility for investigating criminal violations of the AECA) also plays a vital role in tackling and inhibiting gray arms activity. In fiscal year 2002, cooperative programs between State and USCS facilitated more than 662 commercial arms seizures at U.S. ports of exit totaling more than \$65 million, a significant increase from the 325 seizures reported in FY 2001.

Effective enforcement and compliance with U.S. regulations could not be possible without the existence of cooperation between USCS and the Office of Defense Trade Controls. As part of this cooperative effort that has as its goal the verification of licensed exports and the compliance of exporters, DTC electronically provides licensing data to all Customs Officers. This information allows for accurate, real-time monitoring by USCS officials of commercial arms moving in and out of the United States. Through the U.S. Customs Service’s Operation Exodus, DTC also provides authoritative opinions, rulings, and advice on a daily basis to USCS concerning licensing and other regulatory requirements.

Commercial Exports Licensed or Approved Under the Arms Export Control Act

The data in the following chart on commercial arms sales are compiled on the basis of information available to the Department as of January 2003. The first column, entitled "Actual Deliveries (preliminary," shows the preliminary dollar value totals by destination of exports during fiscal year 2002. These export totals are compiled from expired or completed licenses returned to the Department by the U.S. Customs Service, pending the availability of a more comprehensive method. The totals are preliminary because the vast majority of State Department munitions export licenses are approved for four calendar years, thereby allowing shipments to span five fiscal years, and are not returned by the U.S. Customs Service until the license is completed or expired. When the Automated Export System (AES) is fully implemented and actual shipment reporting by industry becomes mandatory (expected June 2003), information that more realistically reflects "up-to-date" is expected to be available. In some instances, training and technical assistance are not included in the chart. For further information, see also the classified annex to this document.

The second and third columns in the chart show the estimated dollar value totals by destination of possible deliveries in fiscal years 2003 and 2004. These estimates are based primarily on the dollar values of licenses approved for each destination during the prior two fiscal years (the dollar values of the authorized licenses are not shown, but the value of the authorizations provided to the U.S. defense industry reported in FY 2001 amounted to \$17 billion in defense articles and \$37 billion in defense services. Not all export approvals result in signed contracts and actual exports. Key factors which affect the final export value include the availability of the licensed item for shipping, and how quickly the license is returned to the Department. (See also the classified annex.) Other factors which cannot be quantified are economic and security considerations at the final destinations and changing U.S. foreign policy and national security considerations. In exercising defense trade controls, the Department administers embargoes on commercial arms transfers to more than two dozen countries in any given year as a result of U.S. law and foreign policy/national security considerations and UN Security Council decisions. Several other countries are subject to special scrutiny due to non-proliferation, regional security (e.g., disputed territories or borders), or human rights concerns. Countries for whom there were no actual deliveries in fiscal year 2002 and which had no authorized license for fiscal years 2001 and 2002 do not appear in this report.

The procedures for estimating defense commercial sales for out years (fiscal years 2003 and 2004) were revised for the 1995 CPD. Previous procedures for such estimates called for extrapolating exports for the first year at forty percent of the actual dollar value of licenses approved in the previous two fiscal years. The second out year's exports would have been estimated at sixty percent of that two-year total.

However, based on historical data, the Department now estimates exports for the first out year (fiscal year 2003) to be ten percent of the total dollar value of approved licenses for the previous two fiscal years (fiscal years 2001 and 2002). The exports for the second out year (fiscal year 2004) are estimated to be fifty percent of those for fiscal year 2002.

Commercial Exports Licensed or Approved Under the AECA
(\$ in thousands)

	FY 2002 Actual (Preliminary)	FY 2003 Estimated deliveries	FY 2004
Africa			
Angola	0	614	2,157
Benin	0	7	33
Botswana	785	2,096	8,130
Burkina Faso	0	0	0
Burundi	0	0	0
Cameroon	0	90	75
Cape Verde	0	0	0
Chad	0	0	0
Comoros	0	60	0
Congo	0	60	0
Cote D'ivoire	0	57	283
Djibouti	0	1,044	5,000
Eritrea	0	18	91
Ethiopia	0	241	921
Gabon	8	118	3
Ghana	0	29	52
Guinea	0	189	945
Kenya	0	629	2,703
Madagascar	0	0	0
Mali	0	0	0
Mauritania	0	1	0
Mauritius	0	25	122
Mongolia	0	861	4,303
Mozambique	0	0	0
Namibia	0	32	93
Niger	0	0	0
Nigeria	8	4,169	8,251
Reunion	0	0	0
Senegal	0	123	600
Somalia	0	0	0
South Africa	22	33,116	146,395
Tanzania	0	131	324
Togo	0	0	0
Uganda	0	1	4
Zambia	0	139	338
Zimbabwe	0	0	0
East Asia & Pacific			
Australia	3,429	113,693	313,609
Brunei	0	1,125	3,411

Burma	0	0	0
Cambodia	0	0	0
China	0	14	71
Fiji	0	0	0
French Polynesia	0	170	1
Hong Kong	384	10,224	49,981
Indonesia	20	6,852	24,561
Japan	29,788	2,134,930	4,846,959
Kiribati	0	838	4,189
Laos	0	0	0
Macau	0	0	0
Malaysia	764	75,853	48,986
Marshall Island	0	150	0
Micronesia	0	1	5
Nauru	0	0	0
New Caledonia	0	47	167
New Zealand	45	39,768	136,959
Papua New Guinea	0	7	30
Philippines	292	9,193	11,611
Singapore	1,394	167,084	469,734
Solomon Islands	0	0	0
South Korea	18,024	179,987	377,707
Taiwan	134,864	200,000	200,000
Thailand	1,813	17,516	56,208
Tonga	0	31	0
Vietnam	0	0	0
East Asia & Pacific Totals :	190,817	2,957,483	6,544,189

Europe and Eurasia

Albania	0	451	2,205
Andorra	0	13	27
Austria	57	19,065	5,941
Azerbaijan	0	0	0
Belarus	0	0	0
Belgium	19	24,387	37,772
Bosnia Herzegovina	0	747	2,725
Bulgaria	0	1,462	6,630
Croatia	10	9,537	44,256
Cyprus	0	3	7
Czech Republic	11,052	2,927	8,538
Denmark	50	18,555	43,561
Estonia	3	1,268	6,341
Falkland Islands	0	50	0
Faroe Islands	0	0	2
Finland	60	8,465	30,460
France	12,597	180,003	536,873
Georgia	0	724	1,729
Germany	17,543	302,962	558,886
Gibraltar	0	0	0
Greece	56	78,037	236,507

Greenland	0	89	0
Hungary	0	1,829	2,820
Iceland	0	101	179
Ireland	0	4,260	13,749
Italy	3,682	131,970	298,401
Kazakhstan	0	31,129	283
Kyrgyzstan	0	29	0
Latvia	0	449	977
Liechtenstein	0	9	43
Lithuania	0	1,208	6,040
Luxembourg	0	28,454	86,271
Macedonia	0	915	2,251
Malta	0	0	0
Moldova	0	113	545
Monaco	0	0	2
Netherlands	3,885	76,395	119,084
Norway	868	28,754	90,092
Poland	32	5,800	13,294
Portugal	374	10,555	4,249
Romania	143	3,349	5,795
Russia	0	9,823	7,963
San Marino	0	0	0
Slovakia	0	283	431
Slovenia	0	1,897	7,250
Spain	1,131	85,908	171,370
Sweden	6,249	72,006	194,585
Switzerland	1,047	26,608	53,795
Turkey	17,227	144,343	169,884
Turkmenistan	0	0	0
Ukraine	0	52	50
United Kingdom	18,905	1,154,020	2,658,734
Uzbekistan	0	507	323
Yugoslavia	0	0	0
Europe and Eurasia Totals :	94,990	2,469,511	5,430,920

Near East

Algeria	0	20,077	18,887
Bahrain	11	3,497	15,107
Egypt	42	81,853	278,359
Israel	1,427	246,687	686,177
Jordan	24	7,115	29,268
Kuwait	68	10,432	37,529
Lebanon	0	623	3,023
Maldives	0	18	19
Morocco	180	5,566	13,508
Oman	2	2,633	8,687
Qatar	0	322	895
Saudi Arabia	530	41,700	54,473
Tunisia	190	1,517	4,676
United Arab Emirates	3,979	23,669	56,652

Yemen	1	356	753
Near East Totals :	6,454	446,065	1,208,013

Non-Regional

Classified Totals	25,157	1,000,000	1,000,000
International Org.	295	282,770	771,675
Non-Regional Totals :	25,452	1,282,770	1,771,675

South Asia

Afghanistan	0	808	4,040
Bangladesh	0	1,372	5,978
Bhutan	0	1	5
Diego Garcia	0	65	323
India	0	4,868	24,340
Nepal	0	460	2,157
Pakistan	0	548	2,741
Sri Lanka	6	2,084	4,112
South Asia Totals :	6	10,206	43,696

Western Hemisphere

Anguilla	2	0	0
Antigua-Barbuda	0	6	23
Argentina	48	30,169	11,835
Aruba	0	22	86
Bahamas	0	24	100
Barbados	0	1,066	5,160
Belize	41	260	1,161
Bermuda	0	1	1
Boliva	3	385	411
Brazil	1,273	18,224	45,838
British Virgin Islands	0	0	0
Canada	7,805	266,703	943,877
Cayman Islands	0	33,789	168,901
Chile	1,175	7,719	28,828
Colombia	20	14,939	36,158
Costa Rica	0	2,427	11,016
Dominica	0	6	12
Dominican Republic	0	9,219	35,842
Ecuador	98	4,727	14,128
El Salvador	0	1,342	4,141
French Guiana	0	76,530	18,829
Grenada	0	19	1
Guadeloupe	0	0	0
Guatemala	0	780	716
Guyana	0	765	3,639
Haiti	0	6	20
Honduras	7	1,046	3,535
Jamaica	0	1,070	4,223
Martinique	0	38	0
Mexico	10,963	42,527	153,046
Netherlands Antilles	629	213	732

Nicaragua	0	134	215
Panama	17	20,673	102,997
Paraguay	0	1	5
Peru	0	2,644	1,489
St Kitts And Nevis	0	1,801	9,002
St Lucia	0	31	48
St Vincent & Grenadines	0	9	2
Suriname	0	41	46
Trinidad & Tobago	0	538	2,412
Turks & Caicos Islands	0	3	14
Uruguay	1	898	2,230
Venezuela	227	45,635	57,106
Western Hemisphere Totals :	22,309	586,430	1,667,825
Grand Totals :	340,851	7,796,315	16,847,141

Foreign Military Financing Grants (11-1082)
(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Appropriated Funds			
Egypt Grant	1,300.000	1,300.000	1,300.000
Israel Grant	2,040.000	2,100.000	2,160.000
Jordan Grant	75.000	198.000	206.000
Other Countries Grants	200.000	472.200	707.500
Administrative Costs	35.000	37.000	40.500
Total FMF Appropriation	3,650.000	4,107.200	4,414.000
Other Country Grants Funded by Excess MAP Collections	0.256		
Plus: Supplemental	387.000		
Less: Supplemental reduced per P.L. 107-206	-30.000		
Plus: Prior Year Unobligated Balance Transferred from the Emergency Response Fund for Other Country FMF Grants (Turkey and Uzbekistan)	45.000		
Plus: Resources available from prior year deobligations	4.500		
Total Budgetary Resources Available for Obligation	<u>4,056.756</u>	<u>4,107.200</u>	<u>4,414.000</u>
Less: Unobligated funds carried forward to next fiscal year from 2002 supplemental	-307.500		
Plus: 2002 unobligated supplemental funds carried forward to and obligated in 2003		307.500	
Less: Unobligated balances for administrative costs expiring	<u>-0.088</u>		
Total FMF obligations	<u>3,749.168</u>	<u>4,414.700</u>	<u>4,414.000</u>
Total FMF Outlays (Net)	<u>4,403.131</u>	<u>4,552.113</u>	<u>4,287.366</u>

Foreign Military Financing Program Account (11-1085)
(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Budget Authority			
Direct Loan Subsidy Appropriation	0.000	0.000	0.000
Subsidy Re-estimates	166.103	0.000	0.000
Total Budget Authority	<u>166.103</u>	<u>0.000</u>	<u>0.000</u>
Total Obligations	166.103	0.000	0.000
Outlays (Net)	210.984	6.951	0.000

Foreign Military Loan Liquidating Account (11X4121)
(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Budget Authority for Guarantee Claims:			
Permanent Indefinite Authority	27.000	25.500	40.000
Collections of Guarantee Claims	37.679	14.328	27.714
Total Budget Authority	<u>64.679</u>	<u>39.828</u>	<u>67.614</u>
Total Obligations and Disbursements for Guaranteed Claims	64.679	39.828	67.714
Offsetting Collections			
Repayment of Direct Loans	-362.206	-194.679	-131.249
Repayment of FFB Loans	-234.144	-234.075	-223.494
Purchase of Loans from the Military Debt Reduction Account (11X4174)	0.000	30.833	0.000
Total Offsetting Collections	<u>-596.350</u>	<u>-459.587</u>	<u>-354.743</u>
Outlays (Net)	-531.671	-419.759	-287.029

Direct Loan Financing Account (11X4122)

(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Budget Authority and Obligations			
Direct Loans	0.000	3,800.000	0.000
Interest on Treasury Borrowing	117.114	87.857	74.779
Downward Subsidy Re-estimate	16.419	397.451	0.000
Interest on Downward Re-estimate	0.000	124.988	0.000
Total Budget Authority and Obligations	133.533	4,410.296	74.779
Disbursements	470.774	666.625	74.779
Offsetting Collections:			
Collections from Loan Subsidy Account	-44.881	-6.951	0.000
Collection for Upward Subsidy Re-estimate	-166.103	0.000	0.000
Interest on Uninvested Funds - Treasury	-31.008	0.000	0.000
Fees from Country	0.000	-200.00	0.000
Loan Repayments from Country	-569.294	-605.180	-559.987
Total Offsetting Collections	-811.286	-812.131	-559.987
Outlays (Net)	-340.512	-145.506	-485.208

Military Debt Reduction Financing Account (11X4174)

(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Budget Authority and Obligations			
Loan Purchase from Liquidating Acct	0.000	30.883	0.000
Interest on Debt to Treasury	0.089	.0868	1.025
Downward Subsidy Re-estimate	0.008	0.000	0.000
Total Budget Authority and Obligations	0.097	31.751	1.025
Disbursements	0.097	31.751	1.025
Offsetting Collections:			
Collections from Loan Subsidy Account	0.000	0.000	0.000
Collection on Upward Subsidy Re-estimate	0.000	-1.506	-32.776
Interest on Uninvested Funds	-0.018	0.000	0.000
Loan Repayments from Country	0.450	0.000	0.000
Total Offsetting Collections	0.432	-1.506	-32.776
Outlays (Net)	0.529	30.245	-31.751

International Military Education & Training Program (11-1081)
(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Appropriation	70.000	80.000	91.700
Recession	0.000	0.000	0.000
Unobligated funds carried forward from previous year - available for obligation	3.586	2.122	0.000
Total budgetary resources available for obligation	73.586	82.122	91.700
Total budgetary resources available for obligation	73.586	82.122	91.700
Current Year Obligations	72.783	82.122	91.700
Unobligated balance of new authority carried forward for new obligations:	.980 (a)	0.000	0.000
Prior Year downward obligation adjustments carried forward and available for new obligations	1.142	0.000	0.000
Total unobligated balance carried forward and available for new obligations	2.122	0.000	0.000
Prior year downward obligation adjustments not available for new obligations	.895	0.000	0.000
Net Outlays	59.067	76.040	86.409

(a) Includes an additional amount of \$.177M of "X" year downward obligation adjustments carried forward and available for new obligations.

Special Defense Acquisition Fund (11X4116)

(\$ in millions)

	Actual FY 2002	Estimated FY 2003	Proposed FY 2004
Purchases of Equipment (Obligations)	0.000	0.000	0.000
Gross Budget Authority (a)	0.000	0.000	0.000
Offsetting Collections	-2.073	0.000	0.000
Net Budget Authority	-2.073	0.000	0.000
Financing Disbursements	-1.517	5.000	3.000
Offsetting Collections	-2.073	0.000	0.000
Net Outlays	-3.580	5.000	3.000
Return of Unobligated Balances to the Treasury due to Program Cancellation (Excess Unobligated Balance) to Treasury account 1614, "Other Earnings from Business Operations and Revolving Funds"	10.000	10.000	10.000

(a) This represents the planned transfer of all collections "in excess of obligation authority provided in prior appropriations Acts" pursuant to P.L. 103-87, September 30, 1993, which means that all FY 1994 and later collections are first deposited into the SDAF appropriation, and later transferred to the Treasury Account, "Other Repayments of Investments and Recoveries," 2814. The return of capitalization does not affect the calculation of net outlay.

Foreign Military Financing Program/Grants
(\$ in millions)

Fiscal Year	Request		Authorized		Appropriated	
	Budget Authority	Program	Budget Authority	Program	Budget Authority	Program
1970	275.000	350.000	250.000	340.000	70.000	0.000
1971	772.500	885.000	750.000 (a)	840.000 (a)	700.000 (a)	0.000
1972	510.000	582.000	400.000	550.000	400.000	0.000
1973	527.000	629.000	400.000 (b)	550.000	400.000 (b)	0.000
1974	2,725.000	2,960.000	2,525.000 (c)	2,930.000 (c)	2,525.000 (c)	0.000
1975	555.000	872.000	405.000	872.500	300.000	0.000
1976 (d)	2,430.200	2,430.200	1,298.750	2,968.375	1,205.000	0.000
1977	2,179.600	2,179.600	740.000	2,022.100	740.000	0.000
1978	707.750	2,217.500	682.000	2,152.350	675.850	0.000
1979 (e)	1,042.500	5,767.500	1,044.300	6,155.500	1,024.500	0.000
1980	658.880 (f)	2,188.000 (f)	673.500	2,235.000	645.000 (b)	0.000
1981	734.000	2,840.000 (g)	500.000	3,116.000	500.000 (b)	3,046.187 (b)
1982	1,481.800	4,054.400	800.000	4,069.525	800.000	3,883.500
1983	950.000 (h)	5,273.300 (h)	800.000	4,169.525	1,175.000 (b)	5,106.500 (b)
1984	1,000.000	5,656.000	1,315.000	5,761.500	1,315.000 (b)	5,716.250 (b)
1985	5,100.000	5,100.000	(i)	(i)	4,939.500 (b)	4,939.500 (b)
1986	5,655.000	5,655.000	5,371.000	5,371.000	5,190.000	5,190.000 (j)
1987	5,861.000 (k)	5,661.000	(i)	(i)	4,053.441 (l)	4,053.441 (l)
1988	4,421.150	4,421.150	(m)	(m)	4,017.000 (n)	4,049.000
1989	4,460.000	4,460.000	(o)	(o)	4,272.750	4,272.750
1990	5,027.000	5,027.000	(p)	(p)	4,827.642	4,827.642 (q)
1991	5,016.900	5,016.900	(r)	(r)	4,663.421 (s)	4,663.421 (s)
1992	4,610.000	4,610.000	(t)	(t)	3,928.548 (u)	3,928.548 (u)
1993	4,099.225	4,099.225	(v)	(v)	3,245.414 (w)	3,245.414 (w)
1994	3,231.657	3,232.157	(x)	(x)	3,052.397 (x)	3,052.397 (x)
1995	3,130.858	3,130.858	(y)	(y)	3,151.279 (y)	3,151.279 (y)
1996	3,262.020	3,262.020	(z)	(z)	3,208.390 (z)	3,208.390 (z)
1996 Sup	70.000 (A)	70.000 (A)	(A)	(A)	70.000 (A)	70.000 (A)
1997	3,228.250	3,228.250	(B)	(B)	3,224.000 (B)	3,224.000 (B)
1998	3,274.250	3,274.250	(C)	(C)	3,296.550 (C)	3,296.550 (C)
1999	3,275.910	3,275.910	(D)	(D)	3,380.000 (D)	3,380.000 (D)
2000	3,430.000	3,430.000	(E)	(E)	4,819.994 (E)	4,819.994 (E)
2001	3,538.200	3,538.200	3,550.000	3,550.000	3,576.000 (F)	3,576.000 (F)
2002	3,674.000	3,674.000	3,627.000	3,627.000	3,650.000 (G)	3,695.000 (H)
2002 Sup	387.000	387.000	(I)	(I)	357.000 (I)	357.000 (I)
2003	4,107.200	4,107.200	4,107.200	4,107.200		
2004	4,414.000	4,414.000				

NOTE: Military Assistance Program included Foreign Military Sales Financing program prior to FY 1969.

(a) Includes \$500M for Israel authorized by P.L. 91-441 and appropriated by P.L. 91-665.

(b) CRA limitation.

(c) Includes \$2,200M for Emergency Security Assistance requested, authorized and appropriated for Israel.

(d) Includes transitional quarter (FY 197T).

(e) Includes \$2,200M supplemental program for Israel and a \$1,500M supplemental program for Egypt.

(f) Includes a \$10M amendment for Sudan and \$15M for Oman.

(g) Includes \$200M proposed budget amendment for Egypt.

(h) Reflects the amended budget request but not the supplemental budget request for program increase of \$525M for guarantee loans.

- (i) Authorization waived in Continuing Resolution Authority (P.L. 98-473 for FY 1985, and P.L. 99-500 for FY 1987).
- (j) Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$223.17M not available for obligation.
- (k) Includes a supplemental request of \$200M.
- (l) Includes \$4,040.441 authorized by P.L. 99-500 CRA limitation and \$13.000 authorized by P.L. 100-71.
- (m) Authorization waived in Continuing Resolution (P.L. 100-202).
- (n) P.L. 100-202 appropriated \$4,049M for FY 1988. Also included in the law was a \$32M rescission applicable to the FY 1985 and FY 1986 appropriation resulting in an adjusted appropriation of \$4,017M, as shown in the FY 1989 President's Budget.
- (o) Authorization waived in P.L. 100-461.
- (p) Authorization waived in P.L. 101-167.
- (q) Congress appropriated \$4,828.403M which was reduced by .43% for use in the control of illicit drugs. In addition, \$20M was transferred into the FMF account from the DOD budget (P.L. 101-165) resulting in \$4,827.641M available to the FMF program.
- (r) Authorization waived in P.L. 101-513.
- (s) P.L. 101-513 appropriated \$5,066.921M for FY 1991. Section 401(a) of P.L. 102-27 subsequently reduced that amount to \$4,663.421M.
- (t) Authorization waived in P.L. 102-109, P.L. 102-145, and P.L. 102-266.
- (u) P.L. 102-266 appropriated \$4,100M for FY 1992, reduced the amount appropriated by \$60.602M and provided for the transfer of \$63.75M of funds appropriated to the Demobilization and Transition Fund. P.L. 102-298 rescinded an additional \$47.100 of the FY 1992 appropriation for a net appropriation of \$3,928.548M.
- (v) Authorization waived in P.L. 102-391.
- (w) P.L. 102-391 appropriated \$3,300M for FY 1993, rescinded \$25.586M of prior year balance, and provided for the transfer of \$29M to the Demobilization and Transition Fund for a net budget authority of \$3,245.414M.
- (x) P.L. 103-87 appropriated \$3,149.279M, including deobligation/reobligation authority. The authorization was waived. During FY 1994, an Emergency Supplemental Appropriations Act was passed (P.L. 103-211) and it rescinded \$91.282M of FY 1993 and prior year balances. Subsequently, an additional \$5.6M was transferred to the IMET and Economic Support Fund accounts leaving a net appropriation of \$3,052.397M.
- (y) P.L. 103-306 appropriated \$3,151.279M for FY 1995. The Authorization was waived.
- (z) P.L. 104-107 appropriated \$3,208.390M for FY 1996. The Authorization was waived.
- (A) Pending FY 1996 FMF supplemental request of \$140M supports Jordan F-16 program; P.L. Appropriated \$70M for FY 1996. The Authorization was waived.
- (B) P.L. 104-208 appropriated \$3,224M for FY 1997. The Authorization was waived.
- (C) P.L. 105-118 appropriated \$3,296.55M for FY 1998. The Authorization was waived.
- (D) P.L. 105-277 appropriated \$3,380M for FY 1999 FMF Grants. The Authorization was waived.
- (E) P.L. 106-113 appropriated \$4,788.994M for FY 2000 FMF Grants. The Authorization was waived.
- (F) P.L. 106-429 appropriated \$3,576M for FY 2001 FMF Grants. P.L. 106-554 rescinded \$7.867M of the FMF appropriation.
- (G) P.L. 107-115 appropriated \$3,650M for FY 2002 FMF Grants.
- (H) Includes \$45M appropriated under P.L. 107-38, the Emergency Response Fund.
- (I) P.L. 107-206 appropriated \$357M for FY 2002 Supplemental FMF Grants. The Authorization was waived.

Foreign Military Financing
Direct Loan Financing Account – Total Program (11X4122)
(\$ in millions)

Fiscal Year	Branch Request	Financing Authority
1992	313.961	345.000 (a)
1993	360.000	855.000 (b)
1994	855.000	769.500 (c)
1995	770.000	619.650 (d)
1996	765.000	544.000 (e)
1997	370.028	540.000 (f)
1998	699.500	200.000 (g)
1999	167.024	117.855 (h)
2000	0.000	0.000
2001	0.000	0.000
2002	0.000	0.000
2003	3,800.000	3,800.000 (i)
2004	0.000	0.000

- (a) Continuing Resolution Authority (P.L. 102-109 and P.L. 102-145).
- (b) P.L. 102-391 provides financing authority for direct loans of \$855M for FY 1993.
- (c) P.L. 103-87 provides financing authority for direct loans of \$769.5M for FY 1994.
- (d) P.L. 103-306 provides financing authority for direct loans of \$619.65M for FY 1995.
- (e) P.L. 104-107 provides financing authority for direct loans of \$544M for FY 1996.
- (f) P.L. 104-208 provides financing authority for direct loans of \$540M for FY 1997.
- (g) P.L. 105-118 provides financing authority for direct loans of \$200M for FY 1998.
- (h) P.L. 105-277 provides financing authority for direct loans of \$167M for FY 1999.
- (i) Continuing Resolution Authority (P.L. 107-229)

**Foreign Military Financing
Direct Loan Subsidy Element**
(\$ in millions)

Fiscal Year	Request	Appropriated
1992	57.490	50.148 (a)(b)
1993	63.332	149.200 (c)
1994	120.457	46.530 (d)
1995	59.598	47.917 (e)
1996	89.888	64.400 (f)
1997	40.000	60.000 (g)
1998	66.000	60.000 (h)
1999	20.000	20.000 (i)
2000	0.000	0.000
2001	0.000	0.000
2002	0.000	0.000
2003	0.000	0.000
2004	0.000	0.000

- (a) Authorization waived under P.L. 102-109 and P.L. 102-145.
- (b) P.L. 102-266 appropriated \$50.9M for FY 1992 and reduced the appropriation by \$.752M for a net availability of \$50.148M.
- (c) P.L. 102-391 appropriated \$149.2M for FY 1993. The Authorization was waived.
- (d) P.L. 103-87 appropriated \$46.53M for FY 1994. The Authorization was waived.
- (e) P.L. 103-306 appropriated \$47.917M for FY 1995. The Authorization was waived.
- (f) P.L. 104-107 appropriated \$64.4M for FY 1996. The Authorization was waived.
- (g) P.L. 104-208 appropriated \$60M for FY 1997. The Authorization was waived.
- (h) P.L. 105-118 appropriated \$60M for FY 1998. \$40M will be transferred to the FMF Grant Account. The Authorization was waived.
- (i) P.L. 105-277 appropriated \$20M for FY 1999. The Authorization was waived.

Military Assistance Program
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1950	1,400.000	1,314.000	1,314.000
1951	5,222.500	5,222.500	5,222.500
1952	6,303.000	5,997.600	5,744.000
1953	5,425.000	4,598.400	4,219.800
1954	4,274.500	3,681.500	3,230.000
1955	1,778.300	1,591.000	1,192.700
1956	1,959.200	1,450.200	1,022.200
1957	2,925.000	2,225.000	2,017.500
1958	1,900.000	1,600.000	1,340.000
1959	1,800.000	1,605.000	1,515.000
1960	1,600.000	1,400.000	1,300.000
1961	2,000.000	(a)	1,800.000
1962	1,885.000	1,700.000	1,600.000
1963	(b)	1,700.000	1,325.000
1964	1,405.000	1,000.000	1,000.000
1965 (c)	1,055.000	1,055.000	1,055.000
1966 (c)	1,170.000	1,170.000	1,170.000
1967	917.000	875.000	792.000
1968	620.100	510.000	500.000
1969	420.000	375.000	375.000
1970	425.000	350.000	350.000
1971	690.000	690.000	690.000
1972	705.000	500.000	500.000
1973	780.000	553.100 (d)	553.100 (d)
1974 (e)	685.000	512.500	450.000 (f)
1975 (g)	985.000	600.000	475.000
1976 (h)(i)	790.000	245.875	252.200
1977	279.000	235.800	264.550
1978	230.000	228.900	220.000 (j)
1979	133.500	133.500	83.375
1980 (c)	160.200 (k)	111.900 (l)	110.000 (d)
1981 (c)	104.400	106.100	110.200 (d)
1982 (c)(m)	131.400	231.400	171.412
1983 (c)	557.000 (n)	238.500 (o)	383.325 (d)
1984	747.000 (p)	639.700	711.750 (d)(q)
1985	924.500	(r)	805.100 (d)
1986 (c)	949.350	805.100	798.374 (s)(t)
1987 (c)	1,257.450 (u)	805.100	950.000
1988	1,329.800	(v)	700.750
1989	467.000	(w)	467.000 (x)
1990	40.432	(y)	(z)
1991	0.000	0.000	0.000
1992	0.000	0.000	-6.750 (D)
1993	0.000	0.000	-20.164 (E)
1994	-0.439 (F)	0.000	-0.439 (F)
1995	(L)		(L)

International Military Education & Training Program

(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1976 (a)	37.000	33.750	28.750
1977	32.200	30.200	25.000
1978	35.000	31.000	30.000
1979	32.100	31.800	27.900
1980	32.900	31.800	25.000 (d)
1981	32.500	34.000	28.400 (d)
1982	42.000	42.000	42.000
1983	53.700 (o)	43.000	46.000
1984	56.532	56.452	51.532 (d)
1985	60.910	(r)	56.221 (d)
1986	65.650	56.221	54.490 (s)
1987	68.830	56.000	56.000
1988	56.000	(v)	47.400
1989	52.500	(w)	47.400
1990	54.500	(y)	47.196 (A)
1991	50.500	(B)	47.196
1992	52.500	(C)	47.196 (G)
1993	47.500	(H)	42.500 (I)
1994	42.500	(J)	22.250 (J)
1995	25.500	(K)	25.500 (K)
1996	39.781	(M)	39.000 (M)
1997	45.000	(N)	43.475 (N)
1998	50.000	(O)	50.000 (O)
1999	50.000	(P)	49.951 (P)
2000	50.000	(Q)	49.810 (Q)
2001	57.875	55.000	57.748 (R)
2002	70.000	65.000	70.000 (S)
2003	80.000	85.000	(T)
2004	91.700		

NOTE:

- (1) The Military Assistance Program included International Military Education and Training Program prior to FY1976.
- (2) The Administration has not proposed Military Assistance Programs subsequent to FY 1990.
 - (a) The Mutual Security Act of 1959, P.L. 86-108, approved July 24, 1959, states "There is hereby authorized to be appropriated to the President for the fiscal year 1961 and 1962 such sums as may be necessary from time to time to carry out the purpose of this chapter, which sums shall remain available until expended."
 - (b) Foreign Assistance Act of 1961 authorized \$1,700M; no executive branch request for authorization was required.
 - (c) Does not include MAP drawdowns of \$75M in FY 1965 and \$300M in FY 1966, or Section 506(a) drawdowns of \$1M in FY 1980; \$26M in FY 1981; \$55M in FY 1982; \$25M in FY 1983; \$40M in FY 1986; and \$25M in FY 1987.
 - (d) CRA limitation.
 - (e) Includes funds requested separately for proposed International Military Education and Training Program finally authorized and appropriated as part of the Military Assistance Program. Does not

- include \$2,500M for Section 506 drawdown authority.
- (f) Includes \$5M transferred to AID.
 - (g) Does not include \$75M for Section 506 drawdown authority.
 - (h) Includes transitional quarter FY197T.
 - (i) Does not include \$275M for Section 506 drawdown authority.
 - (j) Includes \$40.2M subsequently rescinded.
 - (k) Includes a \$50M supplemental for Turkey.
 - (l) Includes a \$1.7M Senate supplemental for Sudan.
 - (m) Does not include \$7.1M reimbursement for Section 506 drawdown authority.
 - (n) Reflects the amended budget request but not the \$187M supplemental budget request.
 - (o) Reflects initial budget request; excludes \$1M supplemental request.
 - (p) Reflects initial budget request; excludes \$259.05M supplemental request for Central America.
 - (q) Includes supplemental appropriation of \$201.75M for Central America.
 - (r) Authorization waived in Continuing Resolution (P.L. 98-473).
 - (s) Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings) \$33.626M of MAP and \$2.343M of IMET are not available for obligation.
 - (t) Includes supplemental appropriation of \$50M for the Republic of the Philippines.
 - (u) Includes a supplemental request of \$261M.
 - (v) Authorization waived in Continuing Resolution (P.L. 100-202).
 - (w) Authorization waived in P.L. 100-461.
 - (x) P.L. 101-45 transferred \$2M to contributions for international peacekeeping activities (Budget Account 19-9-1124).
 - (y) Authorization waived in P.L. 101-167.
 - (z) Administrative costs formerly designated as MAP General Costs (1080 account) are included in the Foreign Military Financing Appropriation (1082 account) effective 1 October 1989.
 - (A) Congress appropriated \$47.4M which was reduced by .43% for use in the control of illicit drugs, resulting in \$47.196M available to the IMET program.
 - (B) Authorization waived in P.L. 101-513.
 - (C) Authorization waived in P.L. 102-109 and P.L. 102-145.
 - (D) P.L. 102-298 rescinded \$6.75M of prior year balances and \$5.76M of previously disbursed amounts.
 - (E) P.L. 102-298 rescinded \$20.164M of prior year balances.
 - (F) During FY 1994, P.L. 103-211, the FY 1994 Emergency Supplemental Appropriations Act, rescinded \$.439M of prior year appropriations.
 - (G) P.L. 102-266 appropriated \$47.196M for FY 1992. P.L. 102-298 rescinded \$1.925M and P.L. 102-381 reduced it an additional \$.698M for a net availability of \$44.573M.
 - (H) Authorization waived in P.L. 102-391.
 - (I) P.L. 102-391 appropriated \$42.5M for FY 1993.
 - (J) P.L. 103-87 appropriated \$21.25M for FY 1994. The Authorization was waived. During FY 1994, an additional \$1.M was transferred into IMET from FMF making a total of \$22.25M of appropriated funds available.
 - (K) P.L. 103-306 appropriated \$25.5M for FY 1995. The Authorization was waived. Subsequent to the release of the President's FY 1996 Budget, \$.85M was transferred out of the PKO account and into the IMET account (\$.35M for Botswana and \$.5M for Senegal) to enhance PKO training.
 - (L) MAP funds were cancelled in FY 1995 due to "M" year legislation. No new authorizations will be enacted for this account.
 - (M) P.L. 104-107 appropriated \$39M for FY 1996. The Authorization was waived.
 - (N) P.L. 104-208 appropriated \$43.475M for FY 1997. The Authorization was waived.
 - (O) P.L. 105-118 appropriated \$50M for FY 1998. The Authorization was waived.
 - (P) P.L. 105-277 appropriated \$50M for FY 1999. The Authorization was waived. P.L. 106-51 rescinded \$.041M. The Authorization was waived.
 - (Q) P.L. 106-113 appropriated \$49.810M for FY 2000. The Authorization was waived.

- (R) P.L. 106-429 appropriated \$55M for FY 2001 and \$2.875M for an emergency supplemental in support of the Southeast Europe Initiative. P.L. 106-554 rescinded \$.127M.
- (S) P.L. 107-115 appropriated \$70M for FY 2002.
- (T) P.L. 108-

Peacekeeping Operations
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1979	(a)	30.900	27.400
1980	(a)	21.100	22.000 (b)
1981	25.000	25.000	25.000 (c)
1982	19.000	19.000	14.000 (d)
1983	43.474	19.000	31.100 (c)
1984	46.200	46.200	46.200 (c)
1985	49.000	(e)	44.000 (c)
1986	37.000	37.000	34.000 (f)
1987	39.000	37.000	31.689
1988	46.311	31.689	31.689
1989	41.689 (g)	41.689	41.689
1990	33.377	32.773	32.773
1991	32.800	32.800	32.800
1992	378.000 (h)	28.000	28.000 (c)
1993	27.166	27.166	27.166
1994	77.166	82.435 (i)	82.435 (i)
1995	75.000	75.000	75.000 (j)
1996	100.000	70.000	70.000
1997	70.000	65.000	65.000
1998	90.000	77.500	77.500
1999	83.000	76.500	76.500
2000	130.000	152.418	152.418 (k)
2001	134.000	127.000 (l)	126.382 (m)
2002	150.000	135.000	135.000
2003	108.250		
2004	94.900		

- (a) Executive Branch request included ESF and PKO in one account—Security Supporting Assistance (SSA).
- (b) CRA limitation (P.L. 96-123).
- (c) CRA limitation.
- (d) In addition, \$125M appropriated under CRA (P.L. 97-51) and authorized by P.L. 97-132 for the Multinational Force and Observers.
- (e) Authorization waived in Continuing Resolution (P.L. 98-473).
- (f) Reflects amount appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$1.462M of this amount is not available for obligation.
- (g) Includes \$10M transfer from DOD allocated to Department of State pursuant to P.L. 101-45 used for UN mineclearing operations in Afghanistan.
- (h) Reflects an amendment to the FY 1992 budget to provide the United States' share to initiate UN Peacekeeping activities in Cambodia and El Salvador, and for other peacekeeping requirements.
- (i) Includes appropriation of \$75.623M plus \$6.812M transferred from other accounts.
- (j) The President's FY 1996 Budget shows PKO Budget Authority of \$75M in FY 1995. Subsequent to the release of the President's Budget, \$.85M was transferred out of the PKO account and into the IMET account (\$.35M for Botswana and \$.5M for Senegal) to enhance PKO training.

- (k) Includes \$2.466M transferred to IO&P account for KEDO. Does not reflect \$.582M rescission under the Consolidated Appropriations Act, 2001 (P.L. 106-554).
- (l) Authorization waived according to Section 525, Foreign Operations, Export Financing, and Related Appropriations Act 2001, (P.L. 106-429).
- (m) Reflects rescission of the Consolidated Appropriations Act, 2001 (P.L. 106-554) and includes \$2.279M UN reimbursement.

Foreign Military Loan Liquidating Account (11X4121)
(Formerly Guaranty Reserve Fund)
(\$ in millions)

Borrowing Authority – Permanent Indefinite Appropriation (a)

Fiscal Year	Request	Appropriated	Actual	Estimated
1985	274.000	109.000	0.000	
1988	0.000	532.000	0.000	
1989	0.000	0.000	452.065	
1990	0.000	0.000	731.510	
1991	0.000	0.000	127.014	
1992	0.000	0.000	0.000	
1993	0.000	0.000	62.678	
1994	0.000	0.000	49.608	
1995	0.000	0.000	39.300	
1996	0.000	0.000	23.577	
1997	10.599	0.000	16.500	
1998	28.000	0.000	28.000	
1999	31.000	0.000	37.500	
2000	35.000	0.000	38.000	
2001	31.000	0.000	58.000	
2002	27.000	0.000	27.000	
2003	25.500	0.000	25.500	
2004	40.000			40.000

(a) Use of borrowing from U.S. Treasury under authority of P.L. 100-202 in FY 1989, P.L. 101-167 in FY 1990, and P.L. 101-513 in FY 1991. Use of permanent indefinite appropriation authority in FY 1993 through FY 2001.

Economic Support Fund
(\$ in millions)

Fiscal Year	Request	Authorized	Appropriated
1964	435.000	380.000	330.000
1965	405.000	405.000	401.000
1966	764.000	684.000	684.000
1967	750.000	715.000	690.000
1968	720.000	660.000	600.000
1969	595.000	410.000	365.000
1970	515.000	414.600	395.000
1971	600.000	414.600	414.600
1972	800.000	618.000	550.000
1973	848.800	(a)	600.000 (a)
1974	732.000	629.000	611.500
1975	1,425.300	1,377.000	1,200.000
1976	1,923.300	1,856.200	1,739.900
1977	50.200	464.100 (b)	279.700 (b)
1977	1,893.500	1,895.000	1,757.700
1978	2,232.200	2,235.000 (c)	2,219.300 (c)
1979	2,204.400 (d)(e)	2,202.000	2,282.000
1980	2,115.100 (e)(f)	1,935.000	1,946.000 (g)
1981	2,030.500	2,065.300	2,104.500 (g)
1982	2,931.500	2,973.500	2,926.000
1983	2,886.000 (h)	2,873.500	2,962.250 (g)
1984	2,949.000 (i)	3,074.000	3,254.250 (g)(j)
1985	3,438.100	(k)	6,084.000 (l)
1986	4,024.000	3,800.000	3,800.000 (m)(n)
1987	4,390.800 (o)	(p)	3,600.000 (q)
1988	3,600.000 (r)	(p)	3,200.820 (r)
1989	3,281.000 (r)	(p)	3,258.500
1990	3,849.100 (s)	(p)	3,916.510 (t)
1991	3,358.000 (u)	(p)	3,175.000 (v)
1992	3,240.000 (w)	(p)	3,216.624 (g)
1993	3,123.000 (x)	(p)	2,670.000
1994	2,582.000	(p)	2,364.562
1995	2,434.500 (y)	(p)	2,368.600
1996	2,494.300 (z)	(p)	2,359.600
1997	2,408.000	(p)	2,362.600
1998	2,497.600	(p)	2,419.600
1999	2,513.600 (aa)	(p)	2,592.831 (bb)
2000	2,543.000 (cc)	(p)	2,782.187 (dd)
2001	2,363.000	(p)	2,314.896 (ee)
2002	2,289.000	(p)	2,824.000 (ff)
2003	2,490.000	(p)	(gg)
2004	2,535.000		

- (a) CRA level - \$618M. There was no authorization level in FY 1973.
- (b) Section 506 of the International Security Assistance and Arms Control Act of 1976, P.L. 94-329, quarter not to exceed one-fourth of the total amount authorized in that Act for FY 1976.
- (c) Includes \$300M for Portugal; also \$20M for Lebanon, authorized as Disaster Assistance, but appropriated in the Security Support Assistance (SSA) account.
- (d) Includes a \$300M supplemental for Egypt and \$100M for Turkey.
- (e) Executive Branch request included ESF and PKO in one account—Security Supporting Assistance (SSA).
- (f) Includes an \$80M supplemental for Central America.
- (g) CRA limitation.
- (h) Reflects initial budget request. Does not include the \$294.5M supplemental budget request.
- (i) Reflects initial budget request. Does not include the \$340.5M supplemental appropriation for Central America or the \$10M for Poland.
- (j) Includes supplemental appropriation (P.L. 98-332).
- (k) Authorization waived in Continuing Resolution Authority (P.L. 98-473 for FY 1985, and P.L. 99-500 for FY 1987).
- (l) Includes FY 1985 Supplemental of \$2,258M.
- (m) Reflects amounts appropriated under P.L. 99-190 (final CRA). Pursuant to P.L. 99-177 (Gramm-Rudman-Hollings), \$159.358M not available for obligation.
- (n) Includes \$100M supplemental for the Republic of the Philippines.
- (o) Includes a supplemental request of \$297M.
- (p) Authorization waived.
- (q) Includes \$50M deobligation/reobligation reappropriation.
- (r) Includes \$12.5M deobligation/reobligation reappropriation estimate.
- (s) Includes \$18M deobligation/reobligation reappropriation estimate and a \$500M supplemental for Panama.
- (t) Includes \$20M for Ireland (less \$.145M sequestration pursuant to P.L. 99-177), minus \$50M pursuant to P.L. 101-167 and \$755M supplemental (P.L. 101-302) for Panama, Nicaragua, Namibia, and South Africa
- (u) Includes \$14M reappropriation estimate.
- (v) Includes \$14M reappropriation estimate and \$30.2M transferred to other accounts. Includes \$20M for Ireland.
- (w) Includes \$12M reappropriation estimate.
- (x) Includes \$11M reappropriation estimate.
- (y) In 1995, the President's Budget did not request Economic Support Funds *per se*, but instead requested \$2,434M in democracy and peace activities.
- (z) The FY 1996 President's Budget includes a supplemental FY 1995 request of \$82.3M.
- (aa) Includes supplemental requests of \$200M for West Bank/Gaza; \$50M for Jordan-Wye; \$105M for Kosovo.
- (bb) Net of rescission enacted by the Emergency Steel Loan Guarantee and Emergency Oil and Gas Guarantee Act of 1999 (P.L. 106-51). Net of rescission and inclusive of supplemental funding for emergency security, Kosovo, and Jordan enacted under the 1999 emergency supplemental appropriations acts.
- (cc) Includes \$150M supplemental request for Wye River Agreement.
- (dd) Net of .38% rescission of Miscellaneous Appropriations Act enacted by reference in P.L. 106-113. Also reflects rescission of \$10M pursuant to P.L. 107-20.
- (ee) Net of rescission of Consolidated Appropriations Act, 2001 (P.L. 106-554)
- (ff) Includes \$600M appropriated under P.L. 107-38, the Emergency Response Fund
- (gg) An appropriations bill was not enacted as of the time of publication.